



MSUKALIGWA LOCAL MUNICIPALITY
MP302
2013-2014
DRAFT ANNUAL BUDGET



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QUALITY CERTIFICATE

I THAMI BAFANA WELKOM DLAMINI municipal manager of MSUKALIGWA MUNICIPALITY hereby certify that the Draft Budget for 2013/2014 Financial Year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : THANIDIWE MAGGY LENGWATE

Chief Financial Officer : MSUKALIGWA MUNICIPALITY

Signature:

Date: 2013 - 03 - 28

Print Name: THAMI BAFANA WELKOM DLAMINI

Municipal Manager: MSUKALIGWA MUNICIPALITY

Signature:

Date: 2013 - 07 - 28

Mayoral Budget Speech

The purpose of the speech will be to provide a high-level summary of the budget that draws on the executive summary and highlights key deliverables during the next three years. The speech will address certain fundamental issues, including the eradication of service delivery backlogs, commencement of new programmes and projects.)

The mayor herewith tables the following report:

1. PURPOSE

The purpose of this item is to table before Council the draft MTREF budget for the financial year 2013/2014, including the two out years for both operating and capital expenditure for noting and approval.

2. INTRODUCTION

The strategy and process mapped out in this document will serve as a guideline to all departments for the compilation of operational business plans and budgets and will be followed by the Council for the 2013/2014 budgets.

3. LEGAL REQUIREMENTS

This item has been compiled in accordance with the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003 and National Treasury Circulars set out below.

- MFMA Circular No. 54 - Budget Content and Format 2011/2012 MTREF
- MFMA Circular No 55 - Budget Content and Format 2011/2012 MTREF
- MFMA Circular No. 58 - Budget Content and Format 2013/2014 MTREF
- MFMA Circular No 59- Budget Content and Format 2013/2014 MTREF
- MFMA section 15-27

The relevant prescriptions of the MFMA section 15 – 19 deals with the budget content and 20 to 27 with administrative matters. The relevant sections for discussion of the budget are as follows

4. APPROPRIATION OF FUNDS FOR EXPENDITURE

- 4.1. A municipality may, except where otherwise provided in this Act, incur expenditure only-
 - 4.1.1. in terms of an approved budget; and
 - 4.1.2. within the limits of the amounts appropriated for the different votes in an approved budget.

5. ANNUAL BUDGETS

- 5.1. The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- 5.2. In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- 5.3. Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

6. CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS

- 6.1. An annual budget of a municipality must be a schedule in the prescribed format-
- 6.2. setting out realistically anticipated revenue for the budget year from each revenue source;
- 6.3. appropriating expenditure for the budget year under the different votes of the municipality;
- 6.4. setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
- 6.5. setting out-
 - 6.5.1. estimated revenue and expenditure by vote for the current year; and
 - 6.5.2. actual revenue and expenditure by vote for the financial year preceding the current year; and
 - 6.5.3. a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.
- 6.6. An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- 6.7. When an annual budget is tabled in terms of section 16(2), it must be accompanied by the following documents:
 - 6.7.1. Draft resolutions-
 - 6.7.1.1. approving the budget of the municipality;
 - 6.7.1.2. imposing any municipal tax and setting any municipal tariffs as may be required for the budget year; and
 - 6.7.1.3. approving any other matter that may be prescribed;
 - 6.7.1.4. measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's integrated development plan;
 - 6.7.1.5. a projection of cash flow for the budget year by revenue source, broken down per month;
 - 6.7.2. any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;
 - 6.7.3. any proposed amendments to the budget-related policies of the municipality;

- 6.7.4. particulars of the municipality's investments;
- 6.7.5. any prescribed budget information on municipal entities under the sole or shared control of the municipality;
- 6.7.6. particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;
- 6.7.6.1. particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;
-
- 6.7.7. particulars of any proposed allocations or grants by the municipality to-
- 6.7.7.1. other municipalities;
- 6.7.7.2. any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers.
- 6.7.7.3. any other organs of state;
- 6.7.7.4. any organisations or bodies referred to in section 67(1);
- 6.7.8. the proposed cost to the municipality for the budget year of the salary, allowances and benefits of-
- 6.7.8.1. each political office-bearer of the municipality;
- 6.7.8.2. councillors of the municipality; and
- 6.7.8.3. the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager;
- 6.7.8.4. the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of-
- 6.7.8.4.1. each member of the entity's board of directors; and
- 6.7.8.4.2. the chief executive officer and each senior manager of the entity; and
- 6.7.8.4.3. any other supporting documentation as may be prescribed.

7. FUNDING OF EXPENDITURE

- 7.1. An annual budget may only be funded from:
- 7.1.1. realistically anticipated revenues to be collected;
- 7.1.2. cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- 7.1.3. borrowed funds, but only for the capital budget referred to in section 17(2).
- 7.2. Revenue projections in the budget must be realistic, taking into account-
- 7.2.1. projected revenue for the current year based on collection levels to date; and
- 7.2.2. actual revenue collected in previous financial years.

8. CAPITAL PROJECTS

- 8.1. A municipality may spend money on a capital project only if-
- 8.1.1. the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
- 8.1.2. the project, including the total cost, has been approved by the council;
- 8.1.3. section 33 has been complied with, to the extent that that section may be applicable to the project; and
- 8.1.4. the sources of funding have been considered, are available and have not been committed for other purposes.
- 8.2. Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider-
- 8.2.1. the projected cost covering all financial years until the project is operational; and
- 8.2.2. the future operational costs and revenue on the project, including municipal tax and tariff implications.
- 8.3. A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.

9. BACKGROUND

As budgeting is central to the process of prioritisation for service delivery and the management of functions within the Municipality, it is eminent that Council, in conjunction with management, determines strategic budget objectives.

The challenges facing the municipality is to find the means to continue to deliver services to the community whilst also improving and expanding the current services to meet increasing needs. The solutions to this challenge from a management perspective are vested in:-

- Increasing productivity;
- Re-prioritising developmental projects and services; and
- Increasing revenue through, inter alia, innovative means of funding service delivery.

The Municipality must also maintain its assets to ensure viable and sustainable service delivery. Similarly, it must maintain its financial capacity and resources to enable the delivery of services and honouring of development obligations.

The budget process is a continuous cycle of planning, implementing, monitoring and reporting. The budget process involves activities relating to at least three budget years simultaneously. The process involves simultaneously assessing how the Municipality is managing the closure of the previous financial year budget, the monitoring of the current year budget and the planning for the next three years' budgets, linked with the IDP.

The MFMA, inter alia, provides that the involvement of Councillors in the budgeting and financial management processes will be:-

- Continuous consultation with the community and other stakeholders in the planning of services and reviewing of performance;
- Ensuring that the budget allocates resources in line with the Council's policy objectives and priorities and the needs of the community;
- Ensuring that the budget is realistic and financially sound before approving the budget and any adjustments;
- Evaluating periodic reports on performance of the budget related to developmental and service delivery plans; and
- Formal reporting activities through annual reports and audited financial statements.

By focusing on these critical aspects, Councillors will be able to provide appropriate political leadership and direction to the Municipality's operations, oversee the preparation of budgets and achievement of financial and non-financial objectives expressed in the budget and IDP.

Council further faces the challenges of guiding, combining, integrating, co-ordinating policies and planning of budgeting processes. Through the joint efforts of politicians, ward committees, citizens and officials, budgets should reflect the needs of the community. The goal is also to empower managers with timeous financial information throughout the year and for Council to take preventative action before a crisis arises.

A comprehensive discussion of the budget process can be read in Chapter 4 of the MFMA and National Treasury MFMA Circulars No 10 and 19. A summarised operational flow of the budget process, as per the notes on the Budget Reform Process, is attached hereto as Annexure A

10. STRATEGIC FOCUS AREAS AND MUNICIPAL PRIORITY ISSUES

Municipal budgets must reflect policy priorities determined by Councillors who are elected representatives of the community. It is essential that the Municipality by means of the IDP planning process identify the strategic focus areas and prioritise strategic issues.

The priorities are in addition to the departmental objectives presented during the strategic alignment workshop. It is recommended that the Council reconfirm these strategic municipal priority issues to guide the Municipal Manager and other Directors in compiling their respective operational plans and budgets. Council should also place emphasis on the strategic focus areas and objectives through clear and measurable outputs and derived outcomes that will give clear guidelines to the administration on what has to be achieved. The budget allocations can then be based on these outputs and outcomes.

11. OPERATIONAL PLANS

The absence of detailed operational plans with measurable objectives and outputs results in a budget that simply allocates funds based on previous year's allocations. The preparation of operational plans is subject to Council clearly stating the priorities and targets to be achieved over the next three years to meet community needs. Departments must align their operational plans with the strategic municipal priority issues and identified outcomes and targets of Council.

The strategic municipal priority issues will facilitate the evaluation of existing operations so that Council may determine, if necessary, to continue with all existing functions of a department and to what extent the Municipality desires to continue with same. The functions should also be listed in order of priority to enable Council to consider, where necessary, which functions/activities to increase, scale down and/or abolish.

Detailed operational plans will assist Management with the compilation of the Capital and Operating Budget. After Council has confirmed its strategic municipal priorities issues and determined the outcomes and service targets to be achieved, Directors must prepare and submit operational plans to Council for consideration and approval. These plans should cover at least the following:-

- Measurable objectives;
- Service delivery strategies;
- Key outputs; and

- Performance/service delivery indicators and targets.

Upon approval of the annual budget the Municipal Manager should ensure that Service Delivery and Budget Implementation Plans (SDBIP), in accordance with the MFMA and National Treasury MFMA Circular No 13, be compiled and submitted to the Mayor for approval before commencement of the new financial year. In accordance with the MFMA, these SDBIP's should also form part of the performance agreements of all managers appointed on contract in terms of Section 57 of the Municipal Systems Act (MSA).

12. GENERALLY RECOGNISED ACCOUNTING PRACTICES (GRAP)

The implementation of GRAP played a significant role in the compilation of the Capital and Operating Budgets. The updating of Council's asset register, the financing of assets and the relocation of funds and reserves are some of the key issues that need to be addressed.

13. GENERAL NOTES ON ANNUAL BUDGETS

The annual budget approved by Council must at least contain the following:-

- A balanced operating budget containing expenditure details and realistically anticipated revenue (actual revenue collected matches actual expenditure incurred);
- A balanced budget for capital expenditure that is within realistic funding already secured, together with the projected future financial implications of such capital expenditure;
- Details of borrowing intentions and other liabilities that will increase the Municipality's debt;
- Audited actual results for the previous year; and
- Projected budget outcomes for the current financial year, next year's budget and the outer two years.

In layman's terms, the budget of the Council consists of the operational budget (revenue and expenditure) and the capital budget. The budget must, within the available resources, reflect the Council's IDP and how it will be funded. The MFMA requires Council to approve at least a three-year operating and capital budget.

- Municipalities must aim to ensure that revenue projections are accurate, realistic and collectable.
- The guideline growth limits are only for self-generated revenue sources. It excludes the increased national allocations provided for the purposes of expanding infrastructure and providing basic services to more households.
- Municipalities are requested to ensure that tariff increases remain within the inflation band of between 3 and 6 percent. Any increases in municipal rates and tariffs above the guideline growth limits must be fully motivated and explained to the local and business communities.
- Municipalities are obliged to ensure that their budgets are balanced and all expenditure is fully funded.
- Municipalities must ensure that the IDP is revised and linked to resource allocations in the budget.
- To achieve national objectives, municipalities should also strive to alter the composition of their budgets by spending more on capital and basic services and less on personnel and administration and improve the quality of spending. Municipalities are expected to maintain a clear focus on expanding infrastructure investments to encourage economic growth potential, adding impetus to the national priorities for improved spending in this area.
- On the operating side, it is important to continue to strive to achieve efficiency and productivity gains whilst being mindful of the implication that rapid growth in salaries & allowances will mean for service delivery.
- When preparing the annual budget, the Mayor must take into account the national budget, the relevant provincial budget, the national governments fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum. This is in addition to consultation with the community and other stakeholders, including district and all local municipalities within the district.

To ensure that a credible budget is compiled it is important to note the following extract from National Treasury MFMA Circular no 28:-

- "Amongst other things, a credible budget is a budget that:
- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;

- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic. Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.”

14. ANNUAL OPERATING AND CAPITAL ADJUSTMENT BUDGET METHODOLOGY

The operational budget is the financial plan, which the Council uses to effect sustainable service delivery within the guidelines of the Council and in terms of affordability. The operational budget also serves as a comprehensive, detailed statement in which the municipality shows how much it intends to spend on the rendering of each service during a particular financial year. The development of the budget will be undertaken using the following divisions:-

15. Departments

Revenue and Expenditure categories; and
Revenue and Expenditure line items.

The purpose of this type of budgeting is to facilitate control over revenue and expenditure.

The incremental budgeting technique is generally accepted as the basis of cost-orientated budgeting. However, it is of utmost importance that Council ensures an in-depth reviewing of its revenue budget and the goals for each category on an annual basis.

It is also important that the level of spending always be limited by the availability of revenue. Therefore, when the expenditure budget is compiled, the ability of the consumers to pay must always be taken into consideration. New operations and expansion of operations on the operating budget should therefore be motivated to Council before inclusion in the operating budget. Such operations must be included in departmental operational plans.

16. Operating Revenue Budget

The Council must determine what the total realistic revenue for the Municipality in the new financial year will be. Using actual levied revenue for the first six months of the current financial year and projecting these figures up to the end of the current financial year will determine such possible revenue. This calculation must further be based on realistic and affordable tariff increases.

It is policy of the Council to avoid major price increases for services as it has a negative impact of removing a portion of the consumers' disposable income. However, to be able to provide services and fulfil its responsibilities, the Municipality will have to obtain additional revenue from tariff increases on the various services provided as well as assessment rates. Revising the tariffs consideration was taken as follows:

When municipalities and municipal entities revise their rates, tariffs and other charges for their 2012/13 budgets and MTREF, they need to take into account the labour (i.e. the wage agreements with unions) other input costs of services provided by the municipality or entity, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy. Municipalities should also take into account relevant policy developments in the different sectors (such as the *inclining block tariff* (IBT) proposals from National Energy Regulator of South Africa (NERSA).

Municipalities should continue to explore appropriate ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate the resources required to fund the maintenance, renewal and expansion of the infrastructure required to provide the services.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the increases of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target.

In determining the level of revenue and possible changes to tariffs, the amount of possible bad debt must also be determined and provided for.

Employee remuneration and related employee cost forms a significant portion of the total operational expenditure budget. It is therefore of utmost importance that the South African Local Government Bargaining Council (SALGBC) agreement on salary increases and its impact on the remuneration budget is taken into account before final tariff increases are determined annually.

The revenue of the Council is derived from several sources. For budgeting purposes the revenue from the various sources is set out below:-

16.1. Grants and Subsidies

This item consists of subsidies for infrastructural projects(water, sanitation and roads) as well as inter-governmental contributions in the form of equitable share contributions, finance manage grant, water operating subsidy and others as may be determined from time-to-time

16.2. Consumer Revenue

Consumer revenue consists of income generated from the sale of and water, electricity, (trading services) and from amounts levied for sewerage and refuse removal (economical services). With reference to each of the services the following should be noted:-

- 16.2.1. Water, electricity, sewerage and refuse removal services, as trading services, should be operated to generate a surplus of at least 10%. In the case of the Municipality the cost of supply of water is very low and as such a more significant surplus would still be in order

16.3. Other Revenue

Departments that provide services, other than consumer services listed above, must at least recover the costs and may generate a surplus. The services include emergency services and fire fighting, etc

17. Operating Expenditure Budget

The expenditure framework must be based on the strategic plans/ IDP, the functional operational plans and the revenue framework.

- 17.1. Where possible, the zero-based budgeting technique is applied to categories of expenditure. This will ensure that an in-depth review of revenue, expenditure and the targets for each category is undertaken during the budget process, resulting in a credible three-year budget, not merely based on an incremental approach. The zero-based type of analysis where all activities are open to review at budget time also allows an opportunity to reallocate resources and avoid continuous growth in budgeted expenditure.

17.2. The following elements have a major impact on the formulation of the expenditure budget:-

- 17.2.1. Employee remuneration and related employee cost projections;
- 17.2.2. Repairs and maintenance;
- 17.2.3. Interest and redemption requirements to service borrowings;
- 17.2.4. Contributions from the operating budget for capital expenditure; and
- 17.2.5. Provision for long-term liabilities and other commitments.

17.3. A factor that must be included in the preparation of the operational plans is motivations in cases where ongoing commitments and planned work exist. The Council therefore requires that all activities be continuously justified in terms of their outcomes and whether they still meet the Council's strategic priority issues as well as past performance. In other words, an activity that is not performing may be required to be reduced rather than to receive an increased allocation of funds

17.4. The expenditure budget sets out the operating expenses and cash outflows to both internal and external sources. The total expenditure should be reconciled with the cash flow budget. The expenditure budget consists of operating service delivery items and provides inter alia for the following:-

17.4.1. Salaries and Wages – Employee Related Costs

Salaries and wages consist of all remuneration in cash and in kind to employees in return for work performed. This includes allowances and other benefits paid as part of conditions of employment, except social contributions. Social contributions are payments, actual or imputed, made to social insurance schemes to obtain entitlement to social benefits for employees. Employer contributions into a pension fund are an example of a social contribution. Another example is contributions to a medical aid scheme.

It does not include costs of training courses (shown under General Expenses) and costs of contractors. The remuneration of Councillors, including possible full-time Councillors, is also not included in this category as they are not employees of the Municipality. However, the costs relating to contractors who are engaged under the Municipality's basic conditions of service are included – these are essentially employees on fixed term contracts such as all managers appointed on contract in terms of Section 57 of the MSA.

The amount to be budgeted in the capital budget for employee costs must also be reflected and deducted from salaries and wages. It is shown as a contra entry under salaries to avoid double counting operating expenses in Contribution from Operating – Capital Outlays. All capitalised expenditure will be included in the capital budget and therefore any operating expenses such as salaries and wages that are capitalised (thus being part of the capital budget) should be deducted from operating expenses in the operating statement.

17.4.2. General Expenses

This section must include all expenses that will be necessary for the Municipality to carry out operations or activities that are not classified under one of the other expenditure groups. Set out below are some of the common general expenditure items:-

- **Councillor Allowances:** All the costs associated with the remuneration of Councillors, including their allowances and any other benefits paid, is showed in this section as a separate expense. The additional Councillor allowances as promulgated are budgeted for.
- **Bulk Purchases:** The expenditure for the bulk purchase of electricity and the departmental usage of municipal services is included under this heading. Additional cost for electricity is provided for. The loss on the sale of electricity should be investigated as the additional cost realised as expected but not the additional income budgeted.
- **Working Capital Reserve:** This is the value of monies unable to be recovered. Each year an estimate should be made of the expected write-off value to be included in this item of the budget. Actual debt written off is an expense to the municipality. Working capital reserve relates to revenue, which is levied, but not paid and cannot be recovered through legal avenues or where costs of recovery might greatly exceed the revenue recoverable. The quantum of this item would relate directly to the revenue collection ratio. For example, if the municipality expects that it will only be able to collect 90 percent of all revenue raised it will include an amount under this item equal to 10 percent of the total revenue raised.
- **Collection Costs:** This item reflects all costs directly incurred in the recovery of revenue that will not be paid in accordance with an invoice or consumer account and in terms of Council Policies. These costs include commissions and fees charged by debt collection agencies and all costs for legal actions taken to recover debts not debited to the customer. Adequate provision is made as part of the Bad Debt provision.
- **Depreciation (GRAP):** The full implementation of GRAP is dependent on the identification and recording of assets and their current values. In terms of GRAP, depreciation will be charged as an expense on all fixed assets. As this is not a cash transaction, it has the effect of creating a provision/reserve by reducing the amount in the surplus available for distribution. Accumulated depreciation indicates how much of the assets have been expensed. Adequate provision for depreciation reserve exists. No adjustment is required.
- **Contracted Services:** This expenditure relates to payments for services provided by external entities. These services may also be referred to as "outsourced services". Entities rendering these services are not Council owned entities or municipal entities but are independent businesses. The two main types are set out below.
 - Services provided to external parties – where the Municipality contracts out the rendering of services such as refuse removal or electricity supply; and
 - Services provided for the internal functioning of the Council, i.e. corporate services such as internal audit or information technology.

The services may be wholly or partly provided by the external entity. An example of shared service providers could be where an in-house section collects household refuse while a contractor services residential and

business customers. Another example could be where a refuse collection service involves an in-house administrative section with a contractor carrying out actual collections.

The Municipal Manager and Chief Financial Officer should ensure that service level agreements are drafted and monthly reports be obtained for all contracted services. The level of service and value for money should be constantly reviewed.

- Deficit on sale of assets (GRAP): In terms of GRAP, the sale of assets will generate either a surplus or a deficit. If the proceeds received on disposal of an asset are greater than the book value of the asset, then a surplus is realised. If the proceeds received are less than the book value, then a deficit will be realised:
 - A surplus on a sale will be recorded as income/revenue.
 - A deficit on a sale will be recorded as an expense.

The performance of the financial instruments remains constant and no additional loss is expected. The sale of redundant equipment and stock can provide additional income. It is critical that the Municipality dispose of the redundant and obsolete stock and equipment for GRAP and compliance issues.

17.4.3. Repairs and Maintenance

This item must include all labour and material costs for the repair and maintenance of the assets of the Municipality. It must include both contracted services and services performed by employees. The total cost of asset maintenance is disclosed in this item to enable an evaluation of asset performance.

It is critical that the asset maintenance plans for all assets with the value of R 250 000 and above be submitted by the departments as part of the IDP and budget process for 2013/2014

Expenditure that maintains an asset in good working order, to ensure asset performance and the useful life originally expected, is not capital and must be shown under this item. "Total Asset Management" requires that a schedule of programmed maintenance should be developed for all assets of the municipality. This ensures that the asset maintains optimal performance and the municipality obtains maximum flow of economic benefits from employment of the asset over its optimum life.

The deferral of maintenance expenditure on assets has the effect of increasing future maintenance costs and also has potential for reducing the economic life of the asset and hence the flow of economic benefits. Deferrals should be indicated clearly in the operational plans.

In determining the estimates under this section, the following should be provided for:-

- | |
|---|
| ▪ New assets to be produced/acquired in the course of the budget year and which would require repairs. |
| Capital assets to be sold or disposed of in the course of the year and which would not require further maintenance. |

17.4.4. Capital Charges

This section must include the following:-

- Interest on internal loans paid by a functional unit or entity to the financing arm of the Municipality for loans that have been obtained for the capital employed in that function of the organisation. The expenditure for internal interest should be offset by the total income.
- Redemption on internal loans in respect of amounts transferred in redemption of internal loans. The expenditure for internal redemption should be offset by the total income.
- Interest expenses on external borrowings include the interest component of external loan repayments. It also includes borrowings from government agencies, i.e. Development Bank loans.
- Redemption payments on external borrowings include the redemption of the principle component of external loans raised by the Municipality.
- With the implementation of GRAP, redemption payments (or loan principle payments) are a repayment of capital. For annuity loans, loan repayments need to be split into interest and principle components. The total cash outflow will be recorded in the cash flow statement. The interest component will still be shown as an expense while the principle component will be reflected in the balance sheet as a reduction in borrowings.

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CORPORATE SERVICES DEPARTMENT

Certified Council Resolution

Council at its 7th Ordinary Council Meeting held on the 28 March 2013 under:

A16

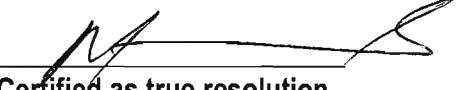
LM 344/03/2013-

REPORT ON THE DRAFT BUDGET FOR 2013/2014 FINANCIAL YEAR

RESOLVED AS FOLLOWS:

1. That the report of the Executive Mayor regarding the draft budget for the 2013/2014 financial year and indicative for the two projected outer years 2013/2014-2014/2016 NOTED by Council,
2. That Council APPROVED the draft annual budget for the financial year 2012/13 and indicative for the two projected outer years 2013/2014 and 2014/2016 as set-out in the following schedule A1,
3. That the operating expenditure by GFS classification reflected in schedule A2 APPROVED by Council,
4. That the operating revenue by GFS classification reflected in schedule A2 APPROVED by Council,
5. That Council APPROVED the operating revenue by vote as reflected in schedule A3,
6. That Council APPROVED the operating expenditure by vote as reflected in schedule A3,
7. That Council APPROVED the operating revenue by source reflected in schedule A4,
8. That council APPROVED the Capital revenue by source reflected in schedule A4,
9. That Council APPROVED the Capital expenditure by GFS classification reflected in schedule A5,
10. That the budget financial position as reflected in schedule A6 APPROVED by Council,
11. That the budgeted cash flows as reflected in schedule A7 APPROVED by Council,
12. That Council APPROVED cash backed reserves/accumulated surplus reconciliation as reflected in schedule A8,
13. That the asset management as reflected in schedule A9 APPROVED by Council,
14. That Council APPROVED the basic service delivery measurement as reflected in schedule A10,
15. That the draft tariffs for 2013/2014 APPROVED for consultation as follows:
Tariffs adjustments:
 - (i) Assessment rates will be adjusted taking the new valuations into consideration with 5.6% increase
 - (ii) Electricity tariffs with 8% from 1 July 2013 based on the 8% from Eskom application
 - (iii) Water tariffs with 10% from 1 July 2013
 - (iv) Sewerage tariffs with 10% from 1 July 2013
 - (v) Refuse Tariffs with 10% from 1 July 2013
 - (vi) Sundry income 10%.
17. That Council APPROVED the property rates and service charges adjustment,
18. That Council NOTED that the National Energy Regulator of South Africa (NERSA) still have TO APPROVE the tariffs of Council as from 1 July 2013,

19. That Council **APPROVED** the overdraft facility with Standard Bank to the amount of R6, 000,000.00 as well as the credit facility for purchase of vehicles to the amount of R2, 000,000.00,
20. That Council **APPROVED** a loan facility of R5, 000,000 for purpose of revenue enhancement,
21. That Council **APPROVED** all any proposed amendments to the budget-related policies,
22. That the draft MTREF budget **BE SUBMITTED** to District Council, National and Provincial Treasury for consulting in terms of section 23 of the MFMA,
23. That Council **NOTED** that the tariffs for rental facilities and by-laws will **BE REVIEWED** before the finalization of the draft budget,
24. That Council **APPROVED** the recommendations of the Executive Mayor.



Certified as true resolution
Director: Corporate Services
Mr. N.L. Maimela


Date

Municipal bonds will be treated similarly with interest reflected as an expense and any repayment shown as a reduction in debt and a cash outflow.

17.4.5. Contributions to Capital Outlay

This item normally shows the value of appropriations transferred out of the Operating Sections into the Capital Sections for use in capital expenditure. The details of the application of the funds will be in the capital budget and supporting documents. All capital expenditure, with a value of more than R1 but less than R1 000, should be financed from operating income (contribution to capital outlay) for the 2013/2014 financial period.

The classification of expenditure as "capital" should be based on the definitions contained in guidelines on the budget process. Expenditure is only capitalised if it is for the purposes of acquiring a new or replacement asset, changes the nature of an asset, extends the life of an asset, or increases the performance potential of the asset.

Expenditure that maintains the asset in good working order at the level of performance or useful life originally expected is not capital and is shown under the appropriate section for "Repairs and Maintenance".

In terms of GRAP, capital expenditure (depreciation, impairment, residual value changes, revaluation etc.) will be adjusted constantly to the value and effect of the asset cost in the statement of financial performance and value recorded in the statement of financial position. Currently, all capital expenditure with a value of more than R1 000 is recorded in the asset register at cost less depreciation only.

17.4.6. Contributions towards Funds

This expenditure group must contain all expenditure items involved in the instances where the Council makes contributions from operating income to certain funds, reserves or provisions. Only contributions determined by legislation and/or Council policy should be included in this section. Currently, the Council contributes towards the following funds:-

- Provision for Bad Debts;
- Bursary Fund;

Leave Reserve Fund; and

18. Capital Budget

The driving force behind the implementation of the Council's strategies is the IDP. In terms of the Local Government: Municipal Systems Amendment Act, 2003, Act No. 44 of 2003, the IDP process has to inform the municipal budget and the preparation of the capital budget is based on the capital development priorities approved in the IDP. The capital budget consists of the non-operational needs of the community. The procurement of assets, with a life span of more than one year can be classified as capital expenditure

A Budget Related Resolutions

19. Executive Summary

The 2013/2014 budget preparation and IDP review process were conducted mainly in line with the legislative and regulatory frameworks prescribed by the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and National Treasury Guidelines. The format and contents of this budget document are in accordance with the guidelines contained in MFMA Circular 28 and 51, based on the new budget format of 1 April 2009.

The draft budget will be tabled in Council before 1 April 2012 after which it will be followed by an extensive **community consultation** and public participation process. The programme that was followed with the various public meetings held is included on page xx of the budget document. A number of key issues were raised during these public meetings and the Executive Mayor will formally respond to these issues as required by the MFMA.

The **strategic alignment** between national, provincial and district service delivery priorities was also a critical factor during the IDP review and budget preparation process. Alignment between Gert Sibande District Municipality, the Mpumalanga Provincial Government budget and budget guidelines 2013-2015 and the Msukaligwa Local Municipality were important considerations and inputs during the process.

The medium-term expenditure framework (MTEF) uses the National Development Plan (NDP) as a point of departure. The NDP sets out an integrated strategy for accelerating growth, eliminating poverty and reducing inequality by 2030. The NDP supported by the New Growth Path and other programmes provides a platform to look beyond the current constraints to the transformation imperatives over the next 20 to 30 years. The NDP emphasises the need to lower the cost of living for households and reduce the cost of doing business for small and emerging enterprise. These objectives need to take into account fiscal sustainability, which ensures that progress will not be interrupted or reversed. This will also entail shifting the composition of spending from consumption towards capital investment. Government already funds many of the programmes highlighted in the NDP. Road and rail infrastructure, for example, receive significant support over the three-year spending period and there will be major investments in public transport and human settlements. The economic competitiveness and support package will receive R14.9 billion over the spending period to give effect to various growth policies, including the New Growth Path and the Industrial Policy Action Plan. The Minister of Finance stated in his 2013 Budget Speech:

"The NDP reminds us that South Africa needs to invest in a strong network of economic infrastructure designed to support the country's medium- and long-term economic and social objectives"

In terms of **free and subsidised services** to indigents, the municipality has increased certain benefits for 2013/2014 in terms of the approved indigent policy. The following are the main benefits offered to registered indigents for which a threshold of a monthly household income of **R2550.00** has been set.

- Free electricity of 50kWh per household
- **6 kiloliters of free basic water**
- **Free Basic Sanitation**
- Free Basic Refuse removal

19.1. Tariff increases

Due to financial challenges the municipality could maintain **tariff increases** within the growth limits set by National Treasury since the municipality must provide services in a sustainable manner. The average tariff increases on electricity is 8%, assessment rates is 5.6% and all other tariffs have increased with an average of 10%. Further information on proposed tariff increases, including sundry tariffs, are included on **Annexure C**

The majority of the **budget-related policies**, such as the inventory, investment of surplus funds and budget policies were developed, whilst indigent and tariff policies remain unchanged. However, the following policies we revised credit control and debt collection policy, supply chain management policy, asset management policy, petty policy, property rates, and cash and investment are recommended to council for approval. The revised policy is attached as **Annexure D**

In terms of the municipality's **financial strategy and position** own revenue constitute close to 76% of the total operating revenue of the municipality, whilst government grants and subsidies contribute on approximately 24% to total revenue. A summary of the operating and capital budget proposals over the medium-term, in terms of the attached budget schedules, is provided in the table

DRAFT BUDGET SUMMARY 2013/14

OPERATIONAL BUDGET

DESCRIPTION	Budget 12/13	DRAFT 2013/2014	DRAFT 2014/2015	DRAFT 2015/2016	VARIANCE	EXPENDITURE	DIFF
EMPLOYEE SALARIES & ALLOWANCES	98 565 448	115 695 563	122 938 400	129 855 826	17 130 115	17 130	17.38
SOCIAL CONTRIBUTIONS	23 877 864	27 568 114	29 056 395	30 536 764	3 690 250		15.45
EXCO COUNCILLORS	9 681 625	10 648 567	11 223 591	11 829 663	966 942		9.99
	132 124 937	153 912 244	163 218 386	172 222 253	21 787 307		16.49
GENERAL EXPENSES IN DEPARTMENTS	41 049 305	52 940 399	55 798 995	58 799 342	11 891 094		28.97
GENERAL EXPENSES FINANCIAL SERVICE	10 730 792	11 191 833	11 796 196	12 433 186	461 041		4.30
GENERAL EXPENSES BULK PURCHASE	136 626 426	144 277 506	152 068 491	160 280 190	7 651 080		5.60
GENERAL EXPENSES - CONTRACTED SERVICE	31 447 781	31 533 930	32 145 003	33 826 995	86 149		0.27
LOSS ON SALE OF ASSETS	90	0	0	0	-90		-100.00
COLLECTION COSTS	300 000	316 800	333 907	351 938	16 800		5.60
TOTAL GENERAL EXPENSES	220 154 394	240 260 468	252 142 592	265 673 876	20 106 074		9.13
REPAIR & MAINTENANCE	20 001 519	26 191 246	27 605 354	29 049 478	6 189 727		30.95
INTER DEPARTMENTAL CHARGES	30 532 308	42 204 996	42 964 017	45 264 072	11 672 688		38.23
	402 813 158	462 568 954	485 930 349	512 229 679	59 755 796		14.83
DEPRECIATION	13 646 759	5 480 628	4 793 697	5 052 557	-8 166 131		-59.84
CONTRIBUTION TO PROVISIONS	16 074 198	18 490 610	19 489 104	20 541 514	2 416 412		15.03
CONTRIBUTION FROM PROVISIONS	-6 120 000	-6 378 720	-6 723 171	-7 086 222	-258 720		4.23
EXPENDITURE (GROSS)	428 414 115	480 161 472	503 489 979	530 755 303	54 006 077		12.08
AMOUNTS CHARGED OUT	-8 911 350	-9 409 489	-9 917 598	-10 453 150	-497 639		5.58
EXPENDITURE (NETT)	419 502 265	470 751 983	493 572 381	520 302 153	53 508 438		12.22
LEVIED CHARGES	-262 826 000	-289 257 162	-304 877 049	-321 340 409	26 431 162		10.06
TARIFF CHARGES LEVIED	-1 497 073	-3 552 265	-3 744 087	-3 946 268	2 055 192		137.28
TARIFF CHARGES OTHER	-3 277 211	-2 781 473	-2 931 668	-3 089 979	-495 738		-15.13

	GOVERNMENT GRANTS & SUBSIDIES OPERATIONAL EXPENDITURE	-109 421 026	-113 351 875	-118 462 655	-121 903 230	3 930 849	3.59
PMU		-2 224 050	-2 344 149	-2 470 753	-2 470 753	92 80	
FINES		-513 700	-90 403	-1 043 886	1 100 254	476 703	
INTEREST		-10 789 158	-10 872 900	-11 460 037	-12 078 879	83 742	0.78
RENT FACILITIES AND EQUIPMENT		-1 930 893	-1 984 807	-2 090 808	-2 203 216	53 914	2.79
LICENCE & PERMITS		-2 270 000	-2 397 120	-2 526 564	-2 662 999	127 120	5.60
AGENCY SERVICES		-4 586 915	-4 843 782	-5 105 346	-5 381 035	256 867	5.60
PROFIT SALE OF ASSETS		-2 699 759	-10 075 000	-10 075 000	-15 375 000	7 375 241	273.18
OTHER INCOME		-1 977 896	-2 004 400	-2 100 515	-2 213 827	26 504	1.34
INCOME FOREGONE		3 343 775	2 462 346	2 595 313	2 735 460	-881 429	-26.36
DIRECT OPERATING INCOME GENERAL		-400 484 706	-441 872 891	-464 166 451	-488 829 861	39 440 127	10.33
INTERNAL TRANSFERS		-21 534 030	-31 319 929	-33 011 206	-34 793 811	9 785 899	45.44
TOTAL OPERATING INCOME		-422 018 736	-473 192 820	-497 177 657	-523 623 672	49 226 026	12.13
INCOME STATEMENT							
TOTAL EXPENDITURE		419 502 265	470 751 983	493 572 381	520 302 153	53 508 438	12.22
TOTAL OPERATING INCOME		-422 018 736	-473 192 820	-497 177 657	-523 623 672	49 226 026	12.13
OPERATING SURPLUS/DEFICIT		-2 516 471	-2 440 837	-3 605 276	-3 321 519	102 734 464	
CAPITAL PROVISION IN OPERATIONAL		2 500 000	2 400 000	3 400 000	3 000 000		
SURPLUS AFTER CAPITAL PROVISION		-16 471	-40 837	-205 276	-321 519		
CAPITAL BUDGET							
DESCRIPTION	Budget 12/13	13/14	14/15	15/16	VARIANCE	EXPENDITURE	
MIG -5%	38 358 150	42 256 950	46 655 450	49 995 650	3 898 800		
INEG ROLL OVER	751 000	21 571 000	15 000 000	20 000 000	20 820 000		
TOTAL NATIONAL	54 009 150	63 827 950	61 655 450	69 995 650	24 718 800		
DISTRICT MUNICIPALITY	18 114 496	19 128 000	20 160 000	21 249 000	1 013 504		
IN KIND-ESCOM	9 690 000	934 000	3 000 000	4 500 000	-8 706 000		
REGINAL BULK	6 000 000	15 000 000	23 000 000	38 000 000	9 000 000		
TOTAL OTHER GRANTS	33 804 496	33 804 496	33 804 496	33 804 496	33 804 496	1 307 504	

LOANS	2 000 000	2 000 000	2 000 000	2 000 000	0
OWN FUNDS	500 000	400 000	1 400 000	2 000 000	-100 000
CAPITAL TOTAL	90 313 646	100 032 446	98 859 946	107 800 146	

The total revenue budget for the year is R570 825 266 whilst total expenditure budget is R570 784 429 and there is a surplus of R40 837. Operating revenue is R473 192 820 and capital revenue is R100 032 446. Operating expenditure is R470 751 983 and capital expenditure is R100 032 446.

19.2. EXPLANATORY NOTES ON BUDGET

19.2.1. REVENUE COLLECTION ANALYSIS

19.2.1.1. USER LEVIES CHARGES

User charges contribute 51% of the total revenue budget of which the main contributor is sale of electricity followed by assessment rates, water, sewerage, refuse removal.

19.2.1.2. TARIFF CHARGES OTHER

The other tariff charges contribute 1% to total revenue collected.

19.2.1.3. GOVERNMENT GRANTS AND SUBSIDIES

Operational government grants are contributing 20% to the total revenue budget whilst capital grants contribute 17%

19.2.1.4. FINES

Fines contributed only 0.% to total revenue budget.

19.2.1.5. INTEREST

Interest has contributed 2% to the total revenue budget.

19.2.1.6. RENTAL FACILITIES AND EQUIPMENTS

This type of revenue contributed 0.3% to total revenue budget.

19.2.1.7. LICENSES AND PERMITS

Revenue on these line items contributed only 0.% to total revenue budget.

19.2.1.8. AGENCY FEES

Agency services contribute 1.00% to total revenue budget.

19.2.1.9. PROFIT ON SALE OF ASSETS

Profit on sale of assets contributed 2% of total revenue budget, of which the main contributor is sale of erven is the main contributor.

19.2.1.10. OTHER INCOME

Other income contributed only 0.% to total revenue budget.

19.2.1.11. INCOME FOREGONE

Income forgone is standing at 0.%, which is for incentives for assessment rates.

19.2.1.12. INTERNAL TRANSFERS

Internal transfers are standing at -6%.

19.3. Income

When determining the tariffs which must be charged for the supply of the four major services, the municipality shall identify all the costs of operation of the undertakings concerned, including specifically the following:

- Cost of bulk purchases in the case of water and electricity.
- Distribution costs.
- Distribution losses in the case of electricity and water.
- Depreciation expenses.
- Maintenance of infrastructure and other fixed assets.
- Administration and service costs, including:
 - service charges levied by other departments such as finance, human resources and legal services;
 - reasonable general overheads, such as the costs associated with the office of the municipal manager;

- adequate contributions to the provisions for bad debts and obsolescence of stock;
- all other ordinary operating expenses associated with the service concerned including, in the case of the electricity service, the cost of providing street lighting in the municipal area (note: the costs of the democratic process in the municipality – that is, all expenses associated with the political structures of the municipality – shall form part of the expenses to be financed from property rates and general revenues, and shall not be included in the costing of the major services of the municipality).

That the property rates and service charges adjustment be approved in principle as follows:

1. Assessment rates will be adjusted taking the new valuations into consideration at a tariff of 5.6%
2. Electricity tariffs with 8% from 1 July 2013 based on the 8.% increase from Eskom
3. Water tariffs with 10% from 1 July 2013
4. Sewerage tariffs with 10% from 1 July 2013
5. Refuse Tariffs with 10% from 1 July 2013
6. Sundry income 10%

19.3.1. General Expenditure

The current cpix increase identified by National Treasury is approximately 5.6%. The general increases in the budget follow this guide but in certain cases the tariffs are increased in line with actual costs and out of this guideline increases. These items relate to maintenance, fuel, telephone and contracted in services. In order to cover actual costs the increase budgeted for is 5.6%.

19.3.2. Capital Expenditure

All funds received from grants are budgeted for. Own contributions to capital is limited to the purchase of vehicles, equipment, computer equipment and purchase of land.

19.3.3. Categories

Council should divide the capital budget between contractually committed projects, continually compelled projects and new projects.

- **Contractually Committed (Type A Projects)**

Contractually committed projects are those for which formal arrangements already exist.

- **Continually Compelled (Type B Projects)**

The main focus areas of the continually compelled projects are the strengthening and expansion of networks and the replacement or reconstruction of existing infrastructure. The Technical Department identify type B projects and the main focus is on the protection of the Municipality's assets. Examples of Type B projects are the replacement of worn out water and sewer networks. Any expenditure that simply ensures that the asset remains in good working order, retain its original characteristics of performance and useful life will be expensed in the operating budget. Type B projects represent projects that are necessary and executed to extend the life span of assets.

- **New Projects (Type C Projects)**

This category comprises of new projects of a capital nature for which the need has been identified through the IDP process.

19.3.4. Wages

The wages agreement reached in 2009 has lapse so there will still be negotiations but National Treasury has approved a wage increase of CPI of 6.85%.

19.3.5. PERSONNEL COSTS

Employee cost and councillors allowances against total expenditure budget is 27%. Employee costs contributed 25% and councillors allowances contributed 2%. Vacant posts budgeted R1 million due to financial challenges.

19.3.6. REPAIRS AND MAINTENANCE

Repairs and maintenance budgeted expenditure is 4.71% of the total expenditure budget.

19.3.7. DEPRECIATION

Depreciation contributed 1% (R5 480 628) of the total expenditure budget. Even though is not cash traction, provision must be made in terms of the GRAP accounting standards is supposed to budget 10% (R40 314 187) of the total fixed assets

19.3.8. PROVISIONS

Contribution to provisions is budget 2% (R12 111 890) of the total expenditure budget, of which the main contributor is debt impairment. Debt impairment was calculated on a 4% of the total expected billing and current collection rate is 75% at the time of preparing this draft budget. The debt impairment provision was supposed to 25% of the expected billing, therefore, there is under estimation of 21% (R61 785 835).

19.3.9. CAPITAL EXPENDITURE

Capital budget is 15 % of the total expenditure budget

19.3.10. EQUITABLE SHARE

The municipality will receive an equitable share grant of R108 953 000

19.3.11. MUNICIPAL INFRASTRUCTURE GRANT

The municipality will receive R 44 481 000

19.3.12. INTEGRATED ENERGY GRANT

The municipality will receive an Integrated Energy Grant of R21 571 000.

19.3.13. MUNICIPAL FINANCE MANAGEMENT GRANT

The municipality will receive R 1 550 000 for Municipal Finance Management Grant.

19.3.14. MUNICIPAL SYSTEMS IMPROVEMENT GRANT

The municipality will receive R 890 000 of Municipal Systems Improvement Grant.

19.3.15. ESKOM - INTEGRATED ENERGY GRANT

The municipality will receive an in kind grant from the ESKOM of R 984 000.

19.3.16. GERT SIBANDE DISTRICT

The municipality will receive an in kind grant from the district of R 19 128 000. Note should be given that no formal confirmation is received from district. This is an estimated budget based on prior year allocation

19.3.17. DWA – BULK WATER SUPPLY

The municipality will receive an in kind grant from the Department of Water Affairs of R 15 000 000

19.3.18. EXPANDED PUBLIC WORKS PROGRAMME

The municipality will receive R 1 000 000 of Expanded Public Works programme.

19.4. General

The budget legislation as well as procedures was highlighted in the adjustment budget report. The budget is realigned to improve visible service delivery and to improve the ability to service the needs of the council to operate on a day to day basis.

The following sections deals with the individual votes as prescribed by the MFMA

MFMA Circulars 10 and 19 provide guidance on the steps in the annual budget process. Critical to the development of a credible budget are: the manner in which the strategic planning process is integrated; the input of policy directions; and consultation with the community and other stakeholders. This section will summarise:

- Political oversight and management of the budget process
 - Time schedule relating to the budget process
 - Process used to integrate the review of the IDP and preparation of the budget
- Process for tabling of budget and community consultations

19.4.1. Political oversight of the budget process

The Mayoral Committee and Senior Management should convene a strategic planning session to discuss political and strategic priorities that would inform the IDP review and Budget preparation processes.

In regard to budget committees, the Portfolio Head for Finance, assisted by the various portfolio committees/heads and Mayoral Committee provided a political oversight role over the IDP review and Budget preparation processes.

Informal council meetings were also convened to discuss issues pertinent to the budget and to solicit views from councillors on such matters.

The Municipal Manager and Unit managers provided inputs into the process at various management meetings.

- Various public participation meetings with residents and ward committees on the annual revisions to IDP were held during the period September 2011 to October 2011. **Schedule of Key Deadlines relating to budget process [MFMA s 21(1)(b)]**

The following time schedule of key deadlines for the preparation of the budget and the annual review of the IDP for the 2013/2014 medium term period was tabled in Council in August 2012 and was approved by council accordingly.

The table below indicates the process that will be followed to compile the Budget and IDP review for 2012/13.

20. IDP REVIEW PROGRESS PLAN 2013/2014

20.1. DEFINITIONS

20.1.1. SECTOR DEPARTMENT

Sector Departments refer to all Government departments dealing with a certain expertise, e.g. Department of Agriculture or Department of Health.

20.1.2. IDP STEERING COMMITTEE

Legislatively established committee within the Municipality comprising of selected personnel per section within the municipal departments, tasked to scrutinize fine elements of the IDP process.

20.1.3. IDP CHAMPION

An IDP champion is an official who is the head of a section within a department in the Municipality and directly responsible for IDP process.

20.1.4. STAKEHOLDERS

Stakeholders are persons or organizations having interest in any activity/affairs of the Municipality. This includes government departments and the district municipality.

20.1.5. INTRODUCTION

In terms of Section 29 of the Local Government: Municipal Systems Act, 2000, each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. It is therefore the municipality's obligation to fully comply with the said legislation and ensure community and stakeholder participation throughout the planning process in order to realize the objectives of our IDP. This process will also ensure alignment to the District Framework in terms of Section 27 of the Local Government Municipal Systems Act, 2000.

20.1.6. BACKGROUND

The municipal Council has as per resolution LM 1094/05/2011 adopted their Integrated Development Plan for 2012 – 2016. This Process plan is therefore set out in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 to annually review the IDP as adopted by Council for the 2013/2014 financial year. The process plan forms the basis of Municipal Integrated Development Plan which must be aligned with district frame work. The review process is therefore structured as follows:

- 20.1.6.1. Consultative meeting in a form of General/mass meeting will be conducted in all the Wards of Msukaligwa.
 - 20.1.6.2. After the first exercise has been completed, Ward Development plans will be issued to each Ward Councillor.
 - 20.1.6.3. These Ward Development Plans seek to solicit specific information from different Wards in terms of the needs of the inhabitants of that Ward.
 - 20.1.6.4. It therefore becomes duty and function of the Ward Councillor and Ward Committee to co-ordinate the meeting of all role players/section groups e.g. Youth, organization, people, disability, traditional leaders, Civic organization etc. in that particular Ward to participate in completion of that Ward Development Plan.
 - 20.1.6.5. There are other Wards that stretches from urban to rural areas of which the diversity is catered thorough Ward Development Plans that will be issued and completed to each Community as the needs differ.
 - 20.1.6.6. After identification of projects and their prioritization, the Ward development plan will be submitted to the IDP office within a specified time frame.
 - 20.1.6.7. The IDP office will consolidate the information and link the needs with various departments.
 - 20.1.6.8. Institutional arrangements will be done for consolidation of provisional document in the form of IDP steering committee to prepare for the IDP Representative Forum which is chaired by the Honourable Executive Mayor.
 - 20.1.6.9. The IDP Steering Committee meeting will then be convened by the IDP Office which is chaired by the Municipal Manager/IDP Manager. It is important to note that the IDP Steering Committee consist of:
 - All Directors from various departments and;
 - DP Champions who are Senior Officials in our Management as appointed from such departments.
- 20.1.7. Each and every department is having an obligation to ensure that all needs prioritized as projects and programmes and are linked to the budget.

- 20.1.8. It is also the duty of each and every Department to prepare business plan to various institutions in order to solicit funding for unfunded projects and programmes.
- 20.1.9. Projects and programs will therefore be confirmed or prioritize during the compilation of the Ward Development Plan
- 20.1.10. After the completion of the exercise, the Draft IDP will therefore be handed over to the Office of the Executive Mayor for scrutiny.
- 20.1.11. On acceptance of the draft document by the Executive Mayor, the draft will be presented to the IDP Representative Forum for inputs/comments, adoption and subsequent submission to Council for adoption.
- 20.1.12. On approval of the draft by Council, the draft will be made public for comment for a period of 21 days as dictated by legislation.
- 20.1.13. The IDP Representative Forum chaired by the Executive Mayor consisting of all role players e.g. business community, traditional leaders, political parties, Civic Structures, Religious Communities, NGO, CBO and rural Community etc. will then be convened after the expiry of 21 days of public comment of the document. It is in this meeting where various comments and inputs will be discussed and incorporated into the document.
- 20.1.14. The refined document with alterations made will again go back to the IDP office for finalization.
- 20.1.15. The final document will therefore be tabled in Council meeting for final adoption and implementation.
- 20.1.16. The adoption of the reviewed IDP document will be done before the adoption of the Budget because this is the document that informs the budget.
- 20.1.17. New proposal received after objection period of the document will be noted and be catered for during the following review.
- 20.1.18. Attached per Annexure "C" is Council resolution LM 1094/05/2011 giving approval of the 2011-2012 IDP.

MSUKALIGWA LOCAL MUNICIPALITY

The Municipality is a B category Municipality and consists of 19 wards. As a local Municipality, it is the sphere of government closer to people.

- **Municipal Council**
The following are the roles of the Municipal Council in relation to the IDP:
 - Approval of the new or revised IDP.
 - Consideration and approval of the IDP process plan.
- **Executive Mayor and Mayoral Committee**
The following are the roles of the Executive Mayor and Mayoral committee in the IDP:
 - Manage the drafting of the IDP and may assign such responsibilities to the Municipal Manager.
 - Monitoring and co-ordination of the IDP review process.
 - Submit draft and reviewed IDP to Council.
 - Co-ordinate and arrange sittings of the IDP Representative forum Meetings which are chaired by the Executive Mayor.
- **Municipal Manager/IDP Manager**
The following are the roles of the Municipal Manager/IDP Manager in the IDP review process:
 - Management of the entire planning and implementation of the IDP processes.
 - Ensure participation of all role players in the planning process.
 - Preparation and drafting of the process plan.
 - Chairing of the IDP Steering committee meeting.
 - Ensure compliance and alignment of the planning process with legislative requirements.
 - Ensure that the IDP is linked to the performance management and that monitoring, evaluation and review processes are maintained.
- **IDP Steering Committee**
The Committee is constituted by the Municipal Manager, IDP Manager, Directors and IDP Champions within the municipal departments. The following are the roles of the IDP Steering Committee:
 - Management of the IDP process plan.
 - Establish and provide terms of reference for the IDP Representative Forum.
 - Decide on roles and responsibilities.
 - Overall management including the appointment of technical consultants.
 - Consideration of inputs and comments from public and all other stakeholders.
 - Recommendation of service providers.
 - Ensuring that projects are captures in the IDP.

- **IDP Representative Forum**

The IDP Representative forum constitute the Executive Mayor as the chairperson, Councillors, Municipal Manager, all directors, community participation structures and any other stakeholders. The following are the roles of the IDP Representative Forum:

- Monitor implementation process of the IDP.
- Represent the interests of the inhabitants of Msukaligwa Municipality.
- Ensure dissemination of information to communities they represent and provide a platform for discussion, negotiation and decision-making between stakeholders and the municipality.

- **IDP TECHNICAL COMMITTEE**

The IDP technical committee will sit at least twice per annum at the Municipality and comprise of the Municipal manager, IDP manager, District IDP manger and Senior Officials from Provincial and National departments. It should be noted that the participating National departments will only be those performing certain functions within the District/Local municipality and do not have Provincial Department performing such functions. The following are the roles of the IDP Technical Committee:

- Considering programmes and projects that need to be aligned to the municipality's IDP.
- To ensure the integration of IDP policies, objectives, strategies and projects into daily functioning and planning of the municipality.
- Ensure dissemination of information from departments to the municipality and other relevant stakeholders.

ROLE PLAYED BY RESPECTIVE STAKEHOLDERS

ROLE PLAYED BY RESPECTIVE STAKEHOLDERS	
Municipal Council	<ul style="list-style-type: none"> • The Municipal Council will have final say or comment and approval of the new/reviewed IDP. • Will consider the process plan which should set out the process for the development/review of the IDP. • A member of the committee or council to formally submit to the municipal council a proposal to amend the IDP and also give reasons why it should be amended
Executive Mayor and Mayoral Committee	<p>The Mayoral Committee must:</p> <ul style="list-style-type: none"> • Decide on the Process Plan for the development /review of the IDP. • Responsible for overall political direction of the IDP process, and may assign responsibilities to the Municipal Manager • Submit review IDP framework and draft IDP to Council. • Develop terms and criteria for Representative Forum. • Give political direction
Steering committee	<ul style="list-style-type: none"> • Provides terms of reference for the various planning activities • Manage draft action programme. • Commissions research studies or investigations. • Considers and comments on: <ul style="list-style-type: none"> - Inputs from sub-committee/s, study teams and consultants - Analyse inputs from stakeholders • This committee will include the following departmental heads / delegated officials: <ul style="list-style-type: none"> - Finance - Corporate Services - Engineering Services - Public Safety - Community Services - Office of the Municipal Manager • Participate in the designing of project proposals and/or assess them.
IDP Technical Committee	<ul style="list-style-type: none"> • Considers and comments on: <ul style="list-style-type: none"> - Inputs from provincial sector departments and support providers - Analyze inputs from stakeholders • Advising the IDP-RF on terms of reference for various Planning activities • Discuss the challenges encountered and recommend possible solutions • Ensure alignment regarding technical matters • Attend to the alignment of the Municipal IDP to sector and district programmes • Deliberate on inter-sectoral programmes and recommendations to the representative forum

IDP Representative Forum	<ul style="list-style-type: none"> • Report on progress to be forwarded to the Steering Committee. • The Executive Mayor or Representative chair the forum meeting. • Inform interest groups, communities and organizations, on relevant planning activities and their outcomes; • Analyze issues, determine priorities, negotiate and reach consensus; • Make recommendations on planning issues to the municipal council
Ward Committees	<ul style="list-style-type: none"> • Link the planning process to their constituencies and/or wards. • Be responsible for organizing public consultation and participation. • Ensure the annual business plans and municipal budget are linked to and based on the IDP.
District and Sector Departments	<ul style="list-style-type: none"> • To provide vital information and support during planning, evaluation and monitoring processes.

- **2013/2014 IDP REVIEW PROCESS**

As required in terms of Section 29 of the Local Government: Municipal Systems Act, 2000, the following processes will be followed by the Municipality to review its IDP. The process plan which in terms of the said legislation, must be set in writing, will be approved by Council.

- **OVERVIEW OF IDP PHASES**

The Integrated Development Plan review process for the 2013/2014 consists of 5 (five) phases which programme is planned to commence in August 2012 and anticipated to be finalized at the end of May 2011. It should also be borne in mind that the final IDP must be adopted by Council 28 March 2013.

- **PHASE OF PREPARATION**

What need to be done in preparation to plan and consolidate Municipal process plan and District framework?

- **PHASE 1 (ONE) – ANALYSIS**

- what do we want to prepare for?
- Well understood priority issues.

- **PHASE 2 (TWO) – STRATEGIES**

- what benefits do we want to deliver and how do we get there?
- efficient and effective strategies

- **PHASE 3 (THREE) – PROJECTS PLANNING**

- what project details need to be defined to realize the strategies?
- Indicators and basic project implementation information.

- **PHASE 4 (FOUR) – INTERGRATION**

- It must be informed by our Inter-Governmental Relations (IGR)
- What do we need to manage to make it happen?
- Integrated management programmes and plan.

- **PHASE 5 (FIVE) – APPROVAL**

- Once satisfied, the IDP document is referred to Council for approval.

21. THE BUDGET COMPIILATION PROCESS

In terms of Section 21 of the Municipal Finance Management Act 56 of 2003, the Mayor of a municipality must coordinate the process for preparing the annual budget and for the reviewing of the Municipality's Integrated Development Plan and Budget related policies. Also from the provision of this section, the Mayor must at least ten months before the start of the budget year, table in the Municipal Council the time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and annual review of the IDP in terms of section 34 of the Municipal Systems Act.

It is from the provisions of the said Acts that the following schedules were developed to provide a framework for the preparation of the budget and IDP processes:

21.1. Steps in the Preparation Process of the IDP and Budget

STEP	PROCESS
1. Planning	Schedule key dates, establish consultation forums, review previous processes
2. Strategizing	Review IDP, set service delivery and objectives for next 3 years, consult on tariffs, indigent, credit control, free basic services, etc. and consider local, provincial and national issues, previous year's performance and current economic and demographic trends etc.
3. Preparing	Prepare budget, revenue and expenditure projections, draft budget policies, consult and consider local, provincial and national inputs or responses.
4. Tabling	Table draft budget, IDP and budget related policies before council consult and consider formal local, provincial and national inputs or responses.
5. Approving	Council approves budget and related policies.
6. Finalizing	Publish and approve SDBIP and annual performance agreements and indicators.

22. BUDGET CONSULTATIVE PROGRAMME

The Budget Consultative programme couldn't be attached to this Process Plan as it was not yet finalized. Thus the media will be used to publish the Budget Consultative Dates after the approval of such programme by the Speaker.

23. PUBLIC PARTICIPATION

In terms of chapter 4 of Municipal Systems Act of 2000, a Municipality is required to conduct a public participation exercise and that such exercise must be included in the process plan and be made known to the community. In terms of Section 21(1)(a)(b)(c) of Municipal Systems Act of 2000, the Act stipulates that communication or notices by the municipality to the community must be done:-

- in the local newspaper or newspaper of its area;
- in a newspaper or newspapers circulating in its area and determined by the council as a newspaper of record; or
- by means of radio broadcasts covering the area of the Municipality;

In addition to the above prescribed manner of communication to the public, the municipality will use loud hailing and distribution of pamphlets in both English and local language (Zulu) as per Annexure "E", page 33.

24. MECHANISMS AND PROCEDURES FOR ALIGNMENT

It is of critical importance that the Municipality should align its 2013/2014 IDP review process to ensure alignment of National, Provincial and District programmes. Alignment will therefore be done taking into consideration the National targets (state of the Nations address, state of the Province address, millennium targets and the Provincial growth and development strategy).

The inter-governmental relations shall be strengthened in terms of the Intergovernmental Relations Framework to ensure cascading of information from National to Local level. The District as well as the Provincial departments will therefore be required to provide assistance to the municipality in compilation of outstanding sector plans in order to come up with a credible IDP.

25. BINDING LEGISLATION

The municipality shall at all times comply with all relevant legislative requirements during the whole process. See attached annexure listing all relevant legislation to be adhered to.

26. CONCLUSION

All Councillors, Municipal Manager, Directors and their respective department are required to comply with Msukaligwa Local Municipality process plan. The key role players should ensure that they are working within the set time

- **Process used to integrate the review of the IDP and preparation of the budget**

The IDP Steering Committee consisting of key political office bearers and senior management ensured that issues relating to the IDP and budget preparation are managed and dealt through an integrated and holistic approach.

27. All IDP related matters having an impact on resource allocations and the budget in general are therefore handled more appropriately by the Steering Committee.

- **Process for tabling of budget and community consultations**

In terms of section 24(1) of the MFMA, the mayor must table the annual budget at least 30 days before the start of the budget year.

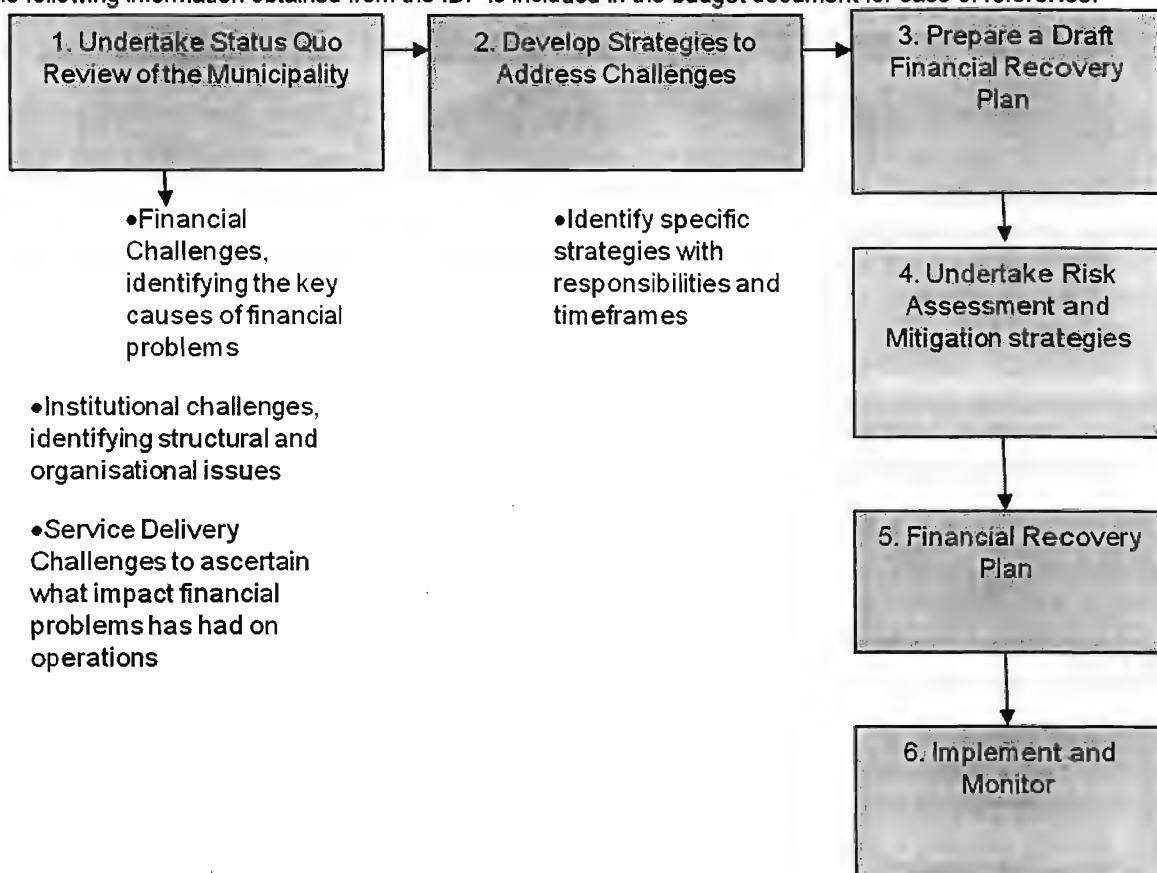
The draft 2013/2014 MTREF Budget of the municipality was be tabled on 28 March 2013.

The following table provides a clear illustration of the types of consultations, stakeholders involved, dates on which the various consultations took place and the respective venues.

27.1. Alignment of Budget with IDP

This section provides a good understanding of what is contained in the IDP and how that guides the allocations in the budget. The budget documentation provides a good high-level overview of the IDP and reference is being made to the detailed IDP documentation.

The following information obtained from the IDP is included in the budget document for ease of reference.



28. Budget Related Policies: Overview and Amendments

This section should provide a broad overview of the budget policy framework and highlight the amended policies to be approved by council resolution. No amendments are proposed to the following existing policies approved by Council.

28.1. 2012/13 Medium Term Revenue and Expenditure Framework (MTREF) Policy Review

Budget related policies overview

Developed policies

- Enterprise Risk Management Policy
- Fraud prevention plan
- Insurance Policy
- Anti- Corruption Strategy

Reviewed policies

- Asset Management Policy
- Investment and Bank Management Policy
- Supply Chain Management Policy
- Credit control and debt collection policy
- Tariff Policy

- Indigent Policy
- Indigent and Pauper Burial Policy
- Property Rates Policy
- Budget policy
- Inventory Policy

28.2. FIXED ASSET POLICY AMENDEMENTS

No amendments have been made

28.3. INVESTMENT CASH MANAGEMENT POLICY

29. No amendments have been made

29.1. MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

No amendments have been made

29.2. CREDIT CONTROL AND DEBT COLLECTION POLICY

No amendments have been made

29.3. INDIGENT POLICY

No amendments have been made

29.4. PETTY CASH POLICY

No amendments have been made

29.5. PROPERTY RATES POLICY

No amendments have been made

29.6. Fiscal Overview and Source of Funding (Tariffs)

INVESTMENTS

9000.00.1.15.4102

INSTITUTION	AMOUNT
<u>INVESTMENTS :July 2012</u>	
ABSA INVESTMENT 1 MONTH (2072537039)17/7-20/8	0.00
FNB BANK - INVESTMENT 2 MONTHS (74367199749)31/7-21/9	0.00
ABSA BANK - INVESTMENT 3 MONTHS (2072537047) 17/7-16/10	0.00
ABSA BANK - INVESTMENT 4 MONTHS (2072537055) 17/7-15/11	0.00
<u>INVESTMENTS: December 2012</u>	
NEDBANK - INVESTMENT 1 MONTHS (176000029) 20/12-20/01	0.00
STANDARD BANK - INVESTMENT 2 MONTHS (738887536-010) 20/12-20/2	0.00
INVESTEC BANK - INVESTMENT 2 MONTHS (30001683920)20/12-20/2	0.00
	5 000
ABSA BANK - INVESTMENT 3 MONTHS(2072959687)20/12-20/03	000.00
<u>INVESTMENTS: January 2013</u>	
ABSA BANK - INVESTMENT 1 MONTH (2073044899) 23/1-25/2	0.00
	5 000
ABSA BANK - INVESTMENT 2 MONTH (2073044946) 23/1-25/3	000.00
STANDARD BANK - MARKET LINK	995 830.48
STANDARD BANK – CALL	0.00
PROJECT FUND	0.00

TOTAL INVESTMENTS	10 995
	830.48

INTEREST
1400.30.2.26.0735

INSTITUTION	AMOUNT
ABSA INVESTMENT 1 MONTH (2072537039)17/7-20/8	25 849.32
FNB BANK - INVESTMENT 2 MONTHS (74367199749)31/7-21/9	47 816.87
ABSA BANK - INVESTMENT 3 MONTHS (2072537047) 17/7-16/10	70 556.16
ABSA BANK - INVESTMENT 4 MONTHS (2072537055) 17/7-15/11	94 810.96
NEDBANK - INVESTMENT 1 MONTHS (176000029) 20/12-20/01	44 712.33
STANDARD BANK - INVESTMENT 2 MONTHS (738887536-010) 20/12-20/2	42 465.75
INVESTEC BANK - INVESTMENT 2 MONTHS (30001683920)20/12-20/2	43 315.07
ABSA BANK - INVESTMENT 3 MONTHS(2072959687)20/12-20/03	
ABSA BANK - INVESTMENT 1 MONTH (2073044899) 23/1-25/2	22 356.16
ABSA BANK - INVESTMENT 2 MONTH (2073044946) 23/1-25/3	
TOTAL INTEREST INVESTMENTS	391 882.62
TOTAL INTEREST MARKET LINK	182 906.09
TOTAL INTEREST CALL ACCOUNT - STANDARD	0.00
TOTAL INTEREST CURRENT ACCOUNT	112 372.32
TOTAL INTEREST	504 254.94

29.7. MUNICIPAL TARIFFS

29.7.1. Electricity

29.7.1.1. The increase on electricity tariffs is 8%

NERSA has increased bulk purchases tariffs with 8% whilst National Treasury has approved a municipal increase of 8%. As per financial recovery plan the municipality is in serious financial crisis of which is unable to meet its commitments including that of Eskom. The municipality is required to provide services in a sustainable manner, thus the increase of 8%. Repairs and maintenance is serious contributor to the increase due to the aged electricity network. Also we must take into account that 50kwh for free basic electricity for indigent must be taken into account since the amount of equitable share provided is not enough. An application has to be made to Treasury for the above the board increase.

In calculating the weighted average increase the following assumptions were considered:

- bulk purchases have been increased by 8% by NERSA to municipalities
- CPI of 5.6%
- Salary & wage increase of 6.85%
- Repairs and maintenance ,capital cost and other cost have been increased by CPI

Free basic electricity for indigent of 50khw have been budgeted for

29.7.1.2.

Water

The increase on Water tariffs is 10%

In calculating the weighted average increase the following assumptions were considered:

- bulk purchases have been increased by 6.6% by DWA to municipalities

- CPI of 5.6%

- Salary & wage increase of 6.85%

- Repairs and maintenance ,capital cost and other cost have been increased by CPI

6kl free water will be given to only indigent households. This will be financed from the Equitable Share.

29.7.1.3.

Sewerage Service

The proposed tariff increase is an average of 10%. This is done in order to obtain a uniform to water tariff.

29.7.1.4.

Emergency Services

The emergency service tariffs have increases by 10 % (CPI).

29.7.1.5.

Property Rates

Property rates tariffs have increase by 5.6%,

29.7.1.6.

Refuse Removal

Property rates tariffs have increase by 10 %,

29.8.

Measurable Performance Objectives and SDBIP's

It should be noted that the **Service Delivery and Budget Implementation Plan** (SDBIP) will be submitted to the Executive Mayor 14 days after the approval of the budget in accordance with section 69(3)(a) of the MFMA. The approval of the SDBIP by the Executive Mayor will be done as per the provisions of section 53(1)(c)(ii) of the MFMA, that is 28 days after the approval of the budget.

The SDBIP includes a summary of annual measurable performance objectives for votes (directorates). Annual performance objectives are converted into quarterly targets for the Service Delivery and Budget Implementation Plan (SDBIP) and will be audited in terms of the annual performance report required by the Systems Act (refer also to chapters 2 and 5 of the annual report as per MFMA circular 11).

29.9.

Disclosure on Implementation of MFMA

This section provides disclosure regarding progress in implementing various related legislation including the MFMA and how this affects the budget and budget process.

29.10.

MFMA Implementation and Monitoring Checklist

The municipality is generally complying for the majority of the implementation priorities as per the National Treasury implementation and monitoring checklist. This checklist is updated quarterly and submitted to National Treasury.

Below is a summary of progress against the plan.

No.	Implementation priority as per NT template	Progress
1	Preparing an implementation plan	100%
2	Allocating appropriate responsibilities under the MFMA to Accounting Officer	100%
3	Establishing a top (senior) management team	67%
4	Implementing appropriate controls over municipal bank accounts and cash management	100%
5	Meeting of financial commitments	30%
6	Reporting revenue and expenditure	85%
7	Supply chain management	75%
8	Implementing reforms in relation to municipal entities and long-term contracts	100%
9	Completing financial statements and advising National Treasury	100%
10	Completing and tabling annual report	100%
11	Complying with provisions for tender committees, boards of municipal entities and in relation to forbidden activities	100%
12	Complying with provisions for internal audit and audit committees	80%
13	Complying with provisions for budgets	100%

14	Information to be placed on website	100%
MFMA returns		
All MFMA and DORA returns are submitted by the municipality as required monthly, quarterly and annually.		
Name of return	Submitted to	
MONTHLY		
Financial Management Grant	NT	
Age Analysis Debtors (AD) and Creditors (AC), Cash Flow, Operating Statement Actuals (OSB)	NT	
Section 71 Budget Statements	PT	
Supply Chain Management	NT/PT	
MIG returns	COGTA	
Equitable Share	COGTA	
QUARTERLY		
MFMA Implementation and monitoring checklist	NT	
Municipal entities	NT	
Public Private Partnerships	NT	
Long-term contracts	NT	
Borrowing	NT	
ANNUALLY		
Appendix A	NT	
Operating Statement Budget (OSB)	NT	
New Budget Regulations 1 April 2009	NT/PT	

29.11. Audit units and audit committees

The internal audit unit has been established which prepares reports to the audit committee on a quarterly basis.

The municipality has an audit committee in place comprising of independent members as required by section 166 of the MFMA.

29.12. Risk management

The municipality does not have a risk management unit and an anti-fraud and corruption management strategy plan is draft still to be tabled to council. Risk assessment was conducted for the current year and the process for the next financial year in progress.

29.13. Implementation of SCM

The new supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in July 2005.

All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.

29.14. Effectiveness of audit steering committees

The audit steering committee is an ad-hoc committee established during the planning and execution of the annual audit.

The committee usually comprise of officials of the Municipality and the Auditor-General team performing the audit.

29.15. Reduction of short-term debt

This regulation is not applicable to the municipality as overdraft facilities are managed within the context of section 45 of the MFMA relating to short-term debt.

29.16. Tabling of section 52 reports

Section 52 reports are submitted to the council and also forwarded to provincial treasury on a quarterly basis. Further improvements will be made to the content and format to ensure enhanced compliance and quality.

29.17. Delegations

All delegations are in place and council approved the generic financial delegations in November 2011.

29.18. Performance agreements

The 2011/12 performance agreements of the municipal manager and directors were duly signed at the beginning of the first quarter of the financial year and other Managers as they were appointed. The new performance agreements for 2013/2014 will be finalised after the SDBIP has been approved.

29.19. Implementation of GRAP/GAMAP

The municipality converted to the GRAP standards since 2005/06 financial year key challenges for implementation of GRAP/GAMAP requirements are reflected in the audit report.

29.20. Development of accounting policies

Several accounting policies have been developed and currently in a process of review. The further development of accounting policies will be guided with exemptions as agreed with National Treasury on an annual basis.

Preparation Instructions

Municipality Name: MP302 Msukaligwa

CFO Name: T.M. LENGWATE

Tel: 017 801 3502

Fax: 017 801 3662

E-Mail: tmlengwate@msukaligwa.gov.za

Budget for MTREF starting:

2013

Budget Year: 2013/14

Does this municipality have Entities?

No

If YES: Identify type of report:

Parent Municipality

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Hide Pre-audit columns on all sheets

Hide Reference columns on all sheets

Showing / Clearing Highlights

Clear Highlights on all sheets

Important documents which provide essential assistance

MFMA Budget Circulars

[Click to view](#)

MBRR Budget Formats Guide

[Click to view](#)

Dummy Budget Guide

[Click to view](#)

Funding Compliance Guide

[Click to view](#)

MFMA Return Forms

[Click to view](#)

MP302 Msukaligwa - Contact Information

A. GENERAL INFORMATION

Municipality	MP302 Msukaligwa
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Grade	3
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1 Grade in terms of the Remuneration of Public Office Bearers Act.

Province	MP Mpumalanga
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Web Address	www.msukaligwa.gov.za
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e-mail Address	msuka@msukaligwa.gov.za
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B. CONTACT INFORMATION

Postal address:

P.O. Box	P O Box 48
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City / Town	ERMELO
-------------	--------

Postal Code	2350
-------------	------

Street address

Building	CIVIC CENTRE
----------	--------------

Street No. & Name	CNR KERK AND TAUTE STREET
-------------------	---------------------------

City / Town	ERMELO
-------------	--------

Postal Code	2351
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General Contacts

Telephone number	017 801 3500
------------------	--------------

Fax number	017 801 3851
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C. POLITICAL LEADERSHIP

Speaker:

Name	B VILAKAZI
------	------------

Telephone number	017 801 3507
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Cell number	0848006975
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Fax number	017 801 3851
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E-mail address	cllr.bmvilakazi@msukaligwa.gov.za
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Secretary/PA to the Speaker:

Name	V.D. NKOSI
------	------------

Telephone number	017 801 3507
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Cell number	017 801 3507
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Fax number	017 8013851
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E-mail address	dnkosi@msukaligwa.gov.za
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Mayor/Executive Mayor:

Name	J.S. BONGWE
------	-------------

Telephone number	017 801 3751
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Cell number	0827457745
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Fax number	017 801 3581
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E-mail address	cllr.jsbongwe@msukaligwa.gov.za
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Secretary/PA to the Mayor/Executive Mayor:

Name	MANDLA ZWANE
------	--------------

Telephone number	017-8013576
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Cell number	0828098296
-------------	------------

Fax number	017-8013851
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E-mail address	mzwane@msukaligwa.gov.za
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Deputy Mayor/Executive Mayor:

Name	POSITION NOT FILLED
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Telephone number	0
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Cell number	0
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Fax number	0
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E-mail address	0
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Secretary/PA to the Deputy Mayor/Executive Mayor:

Name	M.I. NGWENYA
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Telephone number	017 801 3571
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Cell number	0718411935
-------------	------------

Fax number	017 801 3660
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E-mail address	mingwenya@msukaligwa.gov.za
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D. MANAGEMENT LEADERSHIP

Municipal Manager:

Name	T.B.W. DLAMINI
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Telephone number	017 801 3753
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Cell number	0826987486
-------------	------------

Fax number	017 801 3851
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E-mail address	tbwdlamini@msukaligwa.gov.za
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Secretary/PA to the Municipal Manager:

Name	DALENE STANDER
------	----------------

Telephone number	017-8013504
------------------	-------------

Cell number	0834693211
-------------	------------

Fax number	017-8013851
------------	-------------

E-mail address	dstander@msukaligwa.gov.za
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Chief Financial Officer

Name	T.M. LENGWATE
------	---------------

Telephone number	017 801 3502
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Cell number	0848008459
-------------	------------

Fax number	017 801 3662
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E-mail address	tmlengwate@msukaligwa.gov.za
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Secretary/PA to the Chief Financial Officer

Name	ANTOINETTE SWART
------	------------------

Telephone number	017 801 3501
------------------	--------------

Cell number	017 801 3501
-------------	--------------

Fax number	017-8013662
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E-mail address	aswart@msukaligwa.gov.za
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Official responsible for submitting financial information

Name	ZODWA NZIMANDE
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Telephone number	017 801 3512
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Cell number	017 801 3512
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Fax number	017-8013662
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E-mail address	znzimande@msukaligwa.gov.za
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Organisational Structure-Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 01	Summary Department Town Engineer Town Engineer Public Works Public Works Employees From Province Technical Department Pmo Port Sewerage Income Sewerage Network Sewerage Purification Water Income Water Network Water Purification Mechanical Workshop	
Vote 02	Summary Department Electricity Electricity Street Lights Electricity Street Lights	
Vote 03	Summary Department Public Safety Public Safety Fire Brigade Services Disaster Management Safety And Security Local Police Traffic Parking Meters Summary Department Community And Health Community And Health Caravan Park Parks And Grounds Libraries Swimming Pool Sport & Recreation Sport Fields General Golf Course Halls Clubs Tuberculosis Hospital Welfare Housing Social Economic Housing Libraries Swimming Pool Sport Fields General Golf Course Sport And Recreation Summary Department Corporate Services Finance / Treasury Staff Parks Division Corporate Services Civic Centre Administration Human Resources Chairman Of Council & Safety And Health Summary Council General Town Planning And Building Control Marketing & Communication Grant Applications Tourism Integrated Management Information System Local Economic Development Tourism Labour Council General Municipal Manager Integrated Management Information System Local Economic Development Tourism MoA Internal Audit Council General Exco Councillors Mayor Councillor Councillors Director Marketing And Communication Marketing And Communication Local Economic Development Grants In Aid And Donations Tourism Summary Department Finances Director Finance Municipal Rates Municipal Site Finance Vote 05 Summary Department Marketing And Communication	
Vote 06		

MP302 Msukaligwa - Table A1 Budget Summary

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 511
Service charges	127 070	155 543	173 049	220 229	216 103	216 103	143 203	241 431	257 923	268 205
Investment revenue	772	741	589	416	416	416	317	500	527	555
Transfers recognised - operational	69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 305
Other own revenue	70 400	65 495	92 780	69 826	39 095	39 095	18 135	56 774	59 283	61 940
Total Revenue (excluding capital transfers and contributions)	304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 525
Employee costs	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 395
Remuneration of councillors	6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 830
Depreciation & asset impairment	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 055
Finance charges	9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 835
Materials and bulk purchases	66 890	91 979	107 754	131 849	136 707	136 707	65 306	144 368	152 164	160 380
Transfers and grants	21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 745
Other expenditure	67 771	70 040	81 859	118 422	96 245	96 245	38 930	105 172	108 277	114 064
Total Expenditure	283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 305
Surplus/(Deficit)	21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	22 500
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	77 863	77 863	77 863	-	98 940	107 815	133 745
Surplus/(Deficit) after capital transfers & contributions	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 965
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 965
Capital expenditure & funds sources										
Capital expenditure	41 495	42 448	61 469	81 863	87 970	87 970	22 227	104 831	118 753	56 625
Transfers recognised - capital	23 648	20 463	46 183	44 058	49 230	49 230	22 220	66 881	80 701	52 625
Public contributions & donations	-	1 618	-	33 804	33 804	33 804	-	30 550	34 100	-
Borrowing	1 363	4 748	507	2 000	2 000	2 000	-	2 000	2 000	2 000
Internally generated funds	3 650	1 057	1 702	2 000	794	794	8	400	1 952	2 000
Total sources of capital funds	28 661	27 885	48 391	81 863	85 829	85 829	22 227	99 831	118 753	56 625
Financial position										
Total current assets	189 820	99 763	125 559	145 130	285 515	285 515	-	196 918	263 368	-
Total non current assets	245 002	255 041	308 419	278 574	278 574	278 574	-	290 167	301 413	-
Total current liabilities	54 488	87 701	81 193	105 234	94 278	94 278	-	110 876	114 532	-
Total non current liabilities	19 897	24 459	60 101	34 906	34 906	34 906	-	42 377	52 087	-
Community wealth/Equity	-	-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating	51 531	20 206	82 939	74 925	74 925	74 925	-	74 115	36 006	-
Net cash from (used) investing	(48 130)	(32 966)	(72 420)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-
Net cash from (used) financing	(1 922)	(2 102)	(2 487)	(452)	(452)	(452)	-	(648)	(860)	-
Cash/cash equivalents at the year end	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)
Cash backing/surplus reconciliation										
Cash and investments available	969	(13 892)	4 139	(5 964)	(5 964)	(5 964)	-	(5 962)	(5 960)	-
Application of cash and investments	(75 545)	2 498	(10 670)	(26 146)	(165 492)	(165 492)	-	(81 720)	(142 970)	-
Balance - surplus (shortfall)	76 514	(16 391)	14 809	20 182	159 528	159 528	-	75 758	137 010	-
Asset management										
Asset register summary (WDV)	4 968	4 752	5 310	5 092	5 092	5 092	5 328	5 328	5 572	-
Depreciation & asset impairment	20 166	28 152	27 270	6 614	13 647	13 647	5 481	5 481	4 794	5 055
Renewal of Existing Assets	1 348	292	3 226	-	-	-	-	-	-	-
Repairs and Maintenance	14 891	14 445	16 475	24 936	22 002	22 002	26 191	26 191	27 605	29 045
Free services										
Cost of Free Basic Services provided	0	0	-	0	0	0	0	0	0	-
Revenue cost of free services provided	-	33 333	-	35 279	34 241	34 241	24 264	24 264	37 327	-
Households below minimum service level										
Water:	-	2	-	2	2	2	2	2	2	-
Sanitation/sewerage:	-	1	-	1	1	1	1	1	1	-
Energy:	-	10	-	9	9	9	9	9	8	-
Refuse:	-	13	-	12	12	12	11	11	11	-

MP302 Msukaligwa - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework					
		R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Revenue - Standard													
<i>Municipal governance and administration</i>				120 594	139 683	157 423	177 831	178 895	178 695	186 788	199 319	203 484	
Executive and council				69 125	82 976	89 877	107 223	107 228	107 228	111 025	119 502	119 412	
<i>Mayor and Council</i>				69 125	82 976	89 877	107 223	107 228	107 228	111 024	116 047	119 411	
<i>Municipal Manager</i>				–	–	0	0	0	0	0	3 455	0	
Budget and treasury office				49 067	55 574	66 051	68 755	69 508	69 508	73 755	77 700	81 842	
Corporate services				2 402	1 132	1 495	1 853	1 959	1 959	2 008	2 117	2 231	
<i>Human Resources</i>				376	333	713	908	908	908	959	1 011	1 065	
<i>Information Technology</i>													
<i>Property Services</i>				2 026	795	781	945	1 051	1 051	1 049	1 106	1 166	
<i>Other Admin</i>				(0)	3	1	–	–	–	–	–	–	
Community and public safety				18 959	22 682	36 152	37 736	37 736	37 736	11 664	19 669	20 186	20 732
Community and social services				617	3 825	763	395	410	410	403	425	448	
<i>Libraries and Archives</i>				349	1 765	326	57	73	73	46	49	52	
<i>Museums & Art Galleries etc</i>													
<i>Community halls and Facilities</i>				268	2 060	437	338	338	338	357	376	396	
<i>Cemeteries & Crematoriums</i>													
<i>Child Care</i>													
<i>Aged Care</i>													
<i>Other Community</i>													
<i>Other Social</i>													
Sport and recreation				3 280	322	173	330	266	266	209	219	231	
Public safety				13 744	16 665	34 040	7 759	7 773	7 773	8 427	8 882	9 362	
<i>Police</i>													
<i>Fire</i>													
<i>Civil Defence</i>													
<i>Street Lighting</i>													
<i>Other</i>				13 744	16 665	34 040	7 759	7 773	7 773	8 427	8 882	9 362	
Housing				1 319	1 871	1 176	29 252	3 215	3 215	10 629	10 659	10 691	
Health				–	–	–	–	–	–	–	–	–	
<i>Clinics</i>													
<i>Ambulance</i>													
<i>Other</i>													
<i>Economic and environmental services</i>				1 158	2 344	3 204	3 837	3 777	3 777	3 631	3 815	4 021	
Planning and development				886	961	1 540	1 806	1 746	1 746	1 406	1 470	1 550	
<i>Economic Development/Planning</i>				1	4	1 520	1 806	1 746	1 746	1 406	1 470	1 550	
<i>Town Planning/Building enforcement</i>				885	956	19	–	–	–	–	–	–	
Licensing & Regulation													
Road transport				272	1 384	1 664	2 032	2 032	2 032	2 225	2 345	2 472	
<i>Roads</i>													
<i>Public Buses</i>													
<i>Parking Garages</i>													
<i>Vehicle Licensing and Testing</i>													
<i>Other</i>				272	1 384	1 664	2 032	2 032	2 032	2 225	2 345	2 472	
Environmental protection				–	–	–	–	–	–	–	–	–	
<i>Pollution Control</i>													
<i>Biodiversity & Landscape</i>													
<i>Other</i>													
<i>Trading services</i>				163 471	185 443	214 424	239 420	227 682	227 682	262 894	277 090	292 053	
Electricity				86 844	103 045	125 393	181 355	154 396	154 396	178 425	188 060	198 215	
<i>Electricity Distribution</i>				86 844	103 045	125 393	161 355	154 396	154 396	178 425	188 060	198 215	
<i>Electricity Generation</i>													
Water				40 964	44 782	46 977	41 927	33 385	33 385	41 432	43 669	46 028	
<i>Water Distribution</i>				40 964	44 782	46 977	41 927	33 385	33 385	41 432	43 669	46 028	
<i>Water Storage</i>													
Waste water management				22 749	22 537	25 877	18 347	20 948	20 948	22 667	23 891	25 181	
<i>Sewerage</i>				22 749	22 537	25 877	18 347	20 948	20 948	22 667	23 891	25 181	
<i>Storm Water Management</i>													
<i>Public Toilets</i>													
Waste management				12 915	15 078	16 177	17 792	18 953	18 953	20 370	21 470	22 630	
<i>Solid Waste</i>				12 915	15 078	16 177	17 792	18 953	18 953	20 370	21 470	22 630	
Other				66	0	185	252	200	200	211	223	235	
Air Transport				66	0	185	252	200	200	211	223	235	
Abattoirs				–	–	–	–	–	–	–	–	–	
Tourism													
Forestry													
Markets													
Total Revenue - Standard	2			304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525	
Expenditure - Standard													
<i>Municipal governance and administration</i>				69 274	73 370	89 502	104 528	85 662	85 662	95 517	99 585	105 173	
Executive and council				17 204	17 944	19 439	31 621	23 625	23 625	24 083	25 249	26 885	
<i>Mayor and Council</i>				14 436	15 626	13 669	15 633	16 407	16 407	17 510	17 402	18 249	
<i>Municipal Manager</i>				2 767	2 318	5 770	15 988	7 218	7 218	6 573	7 847	8 636	
Budget and treasury office				22 296	27 313	30 115	42 025	31 528	31 528	36 600	38 538	40 566	
Corporate services				29 775	28 114	39 948	30 880	30 509	30 509	34 834	35 798	37 723	
<i>Human Resources</i>				14 759	11 275	21 778	10 868	11 829	11 829	13 204	13 876	14 625	
<i>Information Technology</i>													
<i>Property Services</i>				4 434	5 237	5 702	6 904	6 094	6 094	7 047	6 873	7 244	
<i>Other Admin</i>				10 582	11 602	12 468	13 108	12 586	12 586	14 583	15 050	15 854	

	50 246	61 293	64 598	71 625	72 366	72 366	76 186	80 376	84 589	
Community and public safety										
Community and social services	5 083	5 109	5 061	5 672	5 304	5 304	6 691	7 052	7 386	
Libraries and Archives	2 265	2 695	2 678	2 470	2 869	2 869	3 243	3 418	3 603	
Museums & Art Galleries etc										
Community halls and Facilities										
Cemeteries & Crematoriums	1 276	1 342	1 840	2 005	1 788	1 788	2 185	2 303	2 381	
Child Care										
Aged Care										
Other Community	1 542	1 072	543	1 197	648	648	1 263	1 331	1 403	
Other Social										
Sport and recreation	8 977	9 272	10 221	10 854	11 308	11 308	12 752	13 441	14 165	
Public safety	34 275	44 689	46 561	52 676	52 930	52 930	53 908	56 895	59 887	
Police										
Fire										
Civil Defence										
Street Lighting										
Other	34 275	44 689	46 561	52 676	52 930	52 930	53 908	56 895	59 887	
Housing	1 799	2 177	2 419	2 245	2 726	2 726	2 764	2 914	3 071	
Health	111	45	336	177	98	98	71	75	79	
Clinics										
Ambulance										
Other	111	45	336	177	98	98	71	75	79	
Economic and environmental services	7 160	10 986	10 561	9 480	8 631	8 631	10 647	11 156	11 759	
Planning and development	3 222	6 250	5 167	3 459	3 594	3 594	3 877	4 086	4 307	
Economic Development/Planning	3 120	6 142	5 130	3 459	3 590	3 590	3 877	4 086	4 307	
Town Planning/Building enforcement	102	108	38	—	4	4	—	—	—	
Licensing & Regulation										
Road transport	3 938	4 736	5 394	6 021	5 037	5 037	6 770	7 070	7 452	
Roads										
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
Other	3 938	4 736	5 394	6 021	5 037	5 037	6 770	7 070	7 452	
Environmental protection	—	—	—	—	—	—	—	—	—	
Pollution Control										
Biodiversity & Landscape										
Other										
Trading services	156 503	188 932	211 280	269 364	252 773	252 773	288 345	302 396	318 719	
Electricity	92 977	119 684	137 379	180 360	168 625	168 625	185 768	194 280	204 765	
Electricity Distribution	92 977	119 684	137 379	180 360	168 625	168 625	185 768	194 280	204 765	
Electricity Generation										
Water	30 259	35 859	38 905	38 712	40 536	40 536	47 731	50 309	53 026	
Water Distribution	30 259	35 859	38 905	38 712	40 536	40 536	47 731	50 309	53 026	
Water Storage										
Waste water management	15 940	16 297	17 533	23 768	17 480	17 480	23 165	24 416	25 735	
Sewerage	15 940	16 297	17 533	23 768	17 480	17 480	23 165	24 416	25 735	
Storm Water Management										
Public Toilets										
Waste management	17 327	17 093	17 463	28 524	26 131	26 131	31 680	33 390	35 193	
Solid Waste	17 327	17 093	17 463	26 524	26 131	26 131	31 680	33 390	35 193	
Other	58	68	86	67	70	70	57	59	62	
Air Transport	14	51	59	40	54	54	41	42	44	
Abattoirs										
Tourism										
Forestry										
Markets										
Total Expenditure - Standard	3	283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 302
Surplus/(Deficit) for the year		21 009	15 504	35 361	4 013	2 516	2 516	2 441	7 060	223

References

- References**

 1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
 2. Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
 3. Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
 4. All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

check oprev balance - - - - -77 862 646 -77 862 646 -77 862 646 -98 939 950 -107 815 450 -133 744 650
check opexp balance - - - - -

MP302 Msukaligwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
Revenue by Vote	1									
Vote 01 - Summary Department Town Engineer		69 185	78 555	100 941	62 587	56 607	56 607	66 579	70 175	73 96
Vote 02 - Summary Electricity		86 844	103 045	125 393	161 355	154 396	154 396	178 425	188 060	198 21
Vote 03 - Summary Department Public Safety		8 609	6 813	7 803	7 730	7 731	7 731	8 383	8 836	9 31
Vote 04 - Summary Department Community And Health		5 216	6 017	2 112	29 977	3 891	3 891	11 241	11 303	11 36
Vote 05 - Summary Department Corporate Services		15 317	16 210	17 672	19 645	20 912	20 912	22 378	23 587	24 86
Vote 06 - Summary Council General		70 011	83 937	91 416	109 028	108 973	108 973	112 431	120 972	120 96
Vote 07 - Summary Department Finance		49 067	55 574	66 051	68 755	69 508	69 508	73 755	77 700	81 84
Total Revenue by Vote	2	304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 52
Expenditure by Vote to be appropriated	1									
Vote 01 - Summary Department Town Engineer		64 506	74 052	79 056	88 064	79 938	79 938	92 987	98 018	103 23
Vote 02 - Summary Electricity		92 977	119 684	137 379	180 360	168 625	168 625	185 768	194 280	204 76
Vote 03 - Summary Department Public Safety		19 920	27 580	29 396	33 154	36 099	36 099	38 629	40 715	42 91
Vote 04 - Summary Department Community And Health		15 860	16 558	17 701	18 772	19 339	19 339	22 208	23 407	24 62
Vote 05 - Summary Department Corporate Services		47 213	45 253	57 747	57 581	56 738	56 738	66 584	69 263	72 96
Vote 06 - Summary Council General		21 513	25 237	25 798	36 602	28 847	28 847	29 811	31 285	33 24
Vote 07 - Summary Department Finance		21 251	26 286	28 950	40 530	29 917	29 917	34 765	36 605	38 52
Total Expenditure by Vote	2	283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 30
Surplus/(Deficit) for the year	2	21 009	15 504	35 361	4 013	2 516	2 516	2 441	7 060	21

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 51
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	80 440	99 563	117 676	155 454	149 646	149 646	99 756	168 609	177 713	187 31
Service charges - water revenue	2	17 614	22 676	18 229	24 711	21 896	21 896	14 258	23 549	24 821	26 16
Service charges - sanitation revenue	2	13 711	15 445	17 367	18 290	20 891	20 891	13 934	22 606	23 827	25 11
Service charges - refuse revenue	2	12 895	15 057	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 60
Service charges - other		2 409	2 802	3 613	4 006	4 741	4 741	2 692	6 320	10 116	7 02
Rental of facilities and equipment		1 249	1 296	1 535	1 871	1 931	1 931	1 108	1 985	2 091	2 20
Interest earned - external investments		772	741	589	416	416	416	317	500	527	55
Interest earned - outstanding debtors		6 554	8 135	10 124	7 373	10 373	10 373	7 815	10 373	10 933	11 52
Dividends received											
Fines		1 374	864	434	498	514	514	209	990	1 044	1 10
Licences and permits		3 031	2 062	2 310	2 303	2 303	2 303	1 010	2 410	2 540	2 67
Agency services		3 625	3 740	4 853	4 587	4 587	4 587	1 477	4 844	5 105	5 38
Transfers recognised - operational		69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 30
Other revenue	2	53 649	47 934	72 779	24 447	16 689	16 689	5 543	26 098	27 495	28 98
Gains on disposal of PPE		918	1 465	745	28 748	2 700	2 700	972	10 075	10 075	10 07
Total Revenue (excluding capital transfers and contributions)		304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 52
Expenditure By Type											
Employee related costs	2	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 39
Remuneration of councillors		6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 83
Debt impairment	3	13 856	15 411	17 844	41 908	9 954	9 954	—	12 112	12 766	13 45
Depreciation & asset impairment	2	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 05
Finance charges		9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 83
Bulk purchases	2	66 863	91 929	107 706	131 776	136 626	136 626	65 261	144 278	152 068	160 28
Other materials	8	26	50	48	73	81	81	45	90	95	10
Contracted services		12 524	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 605	31 20
Transfers and grants		21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 74
Other expenditure	4, 5	41 392	37 365	45 717	52 579	57 141	57 141	25 288	63 972	65 906	69 40
Loss on disposal of PPE		—	—	(49)	0	0	0	—	—	—	—
Total Expenditure		283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 30
Surplus/(Deficit)		21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	22
Transfers recognised - capital											
Contributions recognised - capital	6	—	—	—	62 173	62 173	62 173	—	82 956	81 815	91 24
Contributed assets		—	—	—	15 690	15 690	15 690	—	15 984	26 000	42 50
Surplus/(Deficit) after capital transfers & contributions		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 96
Taxation		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 96
Attributable to minorities		13 554	9 444	(135)	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 96
Share of surplus/ (deficit) of associate	7	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 96

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2015/16
R thousand	1										
Revenue By Source											
Property rates	2	36 845	42 273	51 442	58 073	55 873	55 873	37 787	59 871	63 104	66 511
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	80 440	99 563	117 676	155 454	149 646	149 646	99 756	168 609	177 713	187 310
Service charges - water revenue	2	17 614	22 676	18 229	24 711	21 896	21 896	14 258	23 549	24 821	26 161
Service charges - sanitation revenue	2	13 711	15 445	17 367	18 290	20 891	20 891	13 934	22 606	23 827	25 114
Service charges - refuse revenue	2	12 895	15 057	16 163	17 768	18 929	18 929	12 564	20 347	21 445	22 603
Service charges - other		2 409	2 802	3 613	4 006	4 741	4 741	2 692	6 320	10 116	7 021
Rental of facilities and equipment		1 249	1 296	1 535	1 871	1 931	1 931	1 108	1 985	2 091	2 204
Interest earned - external investments		772	741	589	416	416	416	317	500	527	555
Interest earned - outstanding debtors		6 554	8 135	10 124	7 373	10 373	10 373	7 815	10 373	10 933	11 523
Dividends received											
Fines		1 374	864	434	498	514	514	209	990	1 044	1 100
Licences and permits		3 031	2 062	2 310	2 303	2 303	2 303	1 010	2 410	2 540	2 677
Agency services		3 625	3 740	4 853	4 587	4 587	4 587	1 477	4 844	5 105	5 381
Transfers recognised - operational		69 162	86 102	93 528	110 532	110 532	110 532	72 207	114 617	119 796	123 305
Other revenue	2	53 649	47 934	72 779	24 447	16 689	16 689	5 543	26 098	27 495	28 980
Gains on disposal of PPE		918	1 465	745	28 748	2 700	2 700	972	10 075	10 075	10 075
Total Revenue (excluding capital transfers and contributions)		304 249	350 152	411 388	459 076	422 019	422 019	271 649	473 193	500 632	520 521
Expenditure By Type											
Employee related costs	2	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 995	160 395
Remuneration of councillors		6 946	7 464	9 010	9 682	9 682	9 682	6 460	10 649	11 224	11 830
Debt impairment	3	13 856	15 411	17 844	41 908	9 954	9 954	—	12 112	12 766	13 455
Depreciation & asset impairment	2	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 055
Finance charges		9 109	9 467	12 144	12 490	14 506	14 506	9 572	15 158	15 977	16 831
Bulk purchases	2	66 863	91 929	107 706	131 776	136 626	136 626	65 261	144 278	152 068	160 280
Other materials	8	26	50	48	73	81	81	45	90	95	101
Contracted services		12 524	17 264	18 346	23 935	29 150	29 150	13 641	29 088	29 605	31 204
Transfers and grants		21 987	24 614	25 677	37 917	26 272	26 272	17 676	46 661	49 143	51 745
Other expenditure	4, 5	41 392	37 365	45 717	52 579	57 141	57 141	25 288	63 972	65 906	69 406
Loss on disposal of PPE		—	—	(49)	0	0	0	—	—	—	—
Total Expenditure		283 239	334 649	376 027	455 063	419 502	419 502	231 556	470 752	493 572	520 301
Surplus/(Deficit)		21 009	15 504	35 361	4 013	2 516	2 516	40 092	2 441	7 060	22 100
Transfers recognised - capital											
Contributions recognised - capital	6	—	—	—	62 173	62 173	62 173	—	82 956	81 815	91 245
Contributed assets		—	—	—	15 690	15 690	15 690	—	15 984	26 000	42 501
Surplus/(Deficit) after capital transfers & contributions		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Taxation		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Attributable to minorities		13 554	9 444	(135)	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 961
Share of surplus/(deficit) of associate	7	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 961

References

- Classifications are revenue sources and expenditure type
- Detail to be provided in Table SA1
- Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
- Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
- Repairs & maintenance detailed in Table A9 and Table SA34c
- Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
- Equity method

MP302 Msukaligwa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref 1	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Summary Department Town Engineer		-	-	19 971	2 000	8 897	8 897	5 989	14 605	11 016	9 221
Vote 02 - Summary Electricity		-	-	6 436	5 000	3 039	3 039	149	5 000	5 270	5 555
Vote 03 - Summary Department Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 04 - Summary Department Community And Health		-	-	-	3 593	3 593	3 593	2 137	3 858	4 066	4 286
Vote 05 - Summary Department Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 06 - Summary Council General		-	-	-	-	-	-	-	-	-	-
Vote 07 - Summary Department Finance		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	26 407	10 593	15 530	15 530	8 275	23 463	20 352	19 061
Single-year expenditure to be appropriated	2										
Vote 01 - Summary Department Town Engineer		27 015	29 519	30 551	51 879	54 384	54 384	8 807	73 868	92 348	33 561
Vote 02 - Summary Electricity		4 543	4 286	1 889	15 390	15 531	15 531	5 141	5 100	2 100	-
Vote 03 - Summary Department Public Safety		739	3 581	-	-	50	50	4	-	-	-
Vote 04 - Summary Department Community And Health		3 437	3 660	415	500	50	50	-	-	552	-
Vote 05 - Summary Department Corporate Services		2 054	369	(1)	1 000	50	50	-	200	700	1 000
Vote 06 - Summary Council General		-	-	507	2 500	2 250	2 250	-	2 200	2 700	3 000
Vote 07 - Summary Department Finance		(0)	-	-	-	125	125	-	-	-	-
Capital single-year expenditure sub-total		37 787	41 414	33 359	71 269	72 440	72 440	13 952	81 368	98 400	37 561
Total Capital Expenditure - Vote		37 787	41 414	59 766	81 863	87 970	87 970	22 227	104 831	118 753	56 621
Capital Expenditure - Standard											
Governance and administration		3 736	394	1 246	3 500	2 425	2 425	-	2 400	3 400	4 001
Executive and council		977	272	507	2 500	2 250	2 250	-	2 200	2 700	3 001
Budget and treasury office		522	41	19	-	125	125	-	-	-	-
Corporate services		2 237	81	720	1 000	50	50	-	200	700	1 001
Community and public safety		10 073	17 268	27 420	43 708	52 755	52 755	12 378	41 008	53 656	17 391
Community and social services		346	3 514	438	2 735	2 785	2 785	2 137	3 000	3 162	3 331
Sport and recreation		3 398	204	-	858	858	858	-	858	904	951
Public safety		6 298	13 530	26 480	39 614	49 112	49 112	10 241	37 150	49 037	13 101
Housing		31	16	503	500	-	-	-	-	552	-
Health		-	3	-	-	-	-	-	-	-	-
Economic and environmental services		159	23	-	-	219	219	4	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		159	23	-	-	219	219	4	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		27 527	24 763	32 803	34 655	32 570	32 570	9 846	61 423	61 697	35 231
Electricity		4 911	4 286	8 324	20 390	18 570	18 570	5 290	10 100	7 370	5 551
Water		12 807	11 028	16 136	14 265	12 000	12 000	4 556	43 018	41 398	29 671
Waste water management		8 940	8 888	8 344	-	2 000	2 000	-	8 305	12 929	-
Waste management		869	561	(1)	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	41 495	42 448	61 469	81 863	87 970	87 970	22 227	104 831	118 753	56 621
Funded by:											
National Government		23 290	20 136	46 153	44 058	49 230	49 230	22 220	66 881	80 701	52 621
Provincial Government		358	328	30	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	23 648	20 463	46 183	44 058	49 230	49 230	22 220	66 881	80 701	52 621
Public contributions & donations	5	-	1 618	-	33 804	33 804	33 804	-	30 550	34 100	-
Borrowing	6	1 363	4 748	507	2 000	2 000	2 000	-	2 000	2 000	2 001
Internally generated funds		3 650	1 057	1 702	2 000	794	794	8	400	1 952	2 001
Total Capital Funding	7	28 661	27 885	48 391	81 863	85 829	85 829	22 227	99 831	118 753	56 621

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by standard classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

References

MP302 Msukaligwa - Table A6 Budgeted Financial Position

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		969	33	33	36	36	36	-	38	40	-
Call investment deposits	1	-	-	10 000	-	-	-	-	-	-	-
Consumer debtors	1	162 932	59 993	71 189	103 596	243 981	243 981	-	152 083	214 371	-
Other debtors		14 402	14 929	18 447	21 498	21 498	21 498	-	25 797	30 957	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	11 518	24 809	25 890	20 000	20 000	20 000	-	19 000	18 000	-
Total current assets		189 820	99 763	125 559	145 130	285 515	285 515	-	196 918	263 368	-
Non current assets											
Long-term receivables											
Investments											
Investment property		4 526	4 522	4 561	5 028	5 028	5 028	-	5 295	5 554	-
Investment in Associate											
Property, plant and equipment	3	240 034	250 288	303 109	273 482	273 482	273 482	-	284 839	295 842	-
Agricultural											
Biological											
Intangible		442	230	749	64	64	64	-	33	18	-
Other non-current assets											
Total non current assets		245 002	255 041	308 419	278 574	278 574	278 574	-	290 167	301 413	-
TOTAL ASSETS		434 822	354 804	433 978	423 705	564 089	564 089	-	487 086	564 781	-
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	13 925	5 894	6 000	6 000	6 000	-	6 000	6 000	-
Borrowing	4	2 012	2 204	3 182	3 404	3 404	3 404	-	4 204	5 004	-
Consumer deposits		5 685	6 331	7 008	7 661	7 661	7 661	-	8 427	9 269	-
Trade and other payables	4	38 319	55 388	65 109	77 213	77 213	77 213	-	80 708	82 156	-
Provisions		8 472	9 853	-	10 956	-	-	-	11 537	12 102	-
Total current liabilities		54 488	87 701	81 193	105 234	94 278	94 278	-	110 876	114 532	-
Non current liabilities											
Borrowing		3 376	5 717	5 488	11 366	11 366	11 366	-	16 026	22 596	-
Provisions		16 521	18 742	54 613	23 540	23 540	23 540	-	26 351	29 491	-
Total non current liabilities		19 897	24 459	60 101	34 906	34 906	34 906	-	42 377	52 087	-
TOTAL LIABILITIES		74 385	112 160	141 294	140 140	129 184	129 184	-	153 253	166 619	-
NET ASSETS	5	360 437	242 644	292 684	283 564	434 905	434 905	-	333 833	398 162	-
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)											
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	-	-	-	-	-	-	-	-

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

MP302 Msukaligwa - Table A7 Budgeted Cash Flows

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		161 012	191 049	237 110	296 967	296 967	296 967	-	344 482	361 361	-	
Government - operating	1	78 489	86 435	96 846	110 532	110 532	110 532	-	117 416	128 336	-	
Government - capital	1	27 473	20 462	41 703	44 058	44 058	44 058	-	45 563	44 903	-	
Interest		7 666	9 201	10 713	10 952	10 952	10 952	-	12 376	13 985	-	
Dividends												
Payments												
Suppliers and employees		(223 098)	(286 931)	(302 787)	(387 572)	(387 572)	(387 572)	-	(445 708)	(512 564)	-	
Finance charges		(11)	(10)	(647)	(13)	(13)	(13)	-	(14)	(16)	-	
Transfers and Grants	1											
NET CASH FROM/(USED) OPERATING ACTIVITIES		51 531	20 206	82 939	74 925	74 925	74 925	-	74 115	36 006	-	
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	
Decrease (Increase) in non-current debtors												
Decrease (increase) other non-current receivables												
Decrease (increase) in non-current investments		-	-	279	-	-	-	-	-	-	-	
Payments												
Capital assets		(48 130)	(32 966)	(72 699)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(48 130)	(32 966)	(72 420)	(66 173)	(66 173)	(66 173)	-	(65 325)	(66 422)	-	
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	2 000	2 000	2 000	-	2 000	2 000	-	
Borrowing long term/refinancing												
Increase (decrease) in consumer deposits		601	646	-	754	754	754	-	814	879	-	
Payments												
Repayment of borrowing		(2 522)	(2 748)	(2 487)	(3 206)	(3 206)	(3 206)	-	(3 462)	(3 739)	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 922)	(2 102)	(2 487)	(452)	(452)	(452)	-	(648)	(860)	-	
NET INCREASE/(DECREASE) IN CASH HELD		1 479	(14 862)	8 032	8 300	8 300	8 300	-	8 141	(31 276)	-	
Cash/cash equivalents at the year begin:	2	(510)	969	(13 893)	-	-	-	-	-	8 141	(23 13)	
Cash/cash equivalents at the year end:	2	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 13)	

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

MP302 Msukaligwa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)
Other current investments > 90 days		-	0	10 000	(14 264)	(14 264)	(14 264)	-	(14 103)	17 175	23 135
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		969	(13 892)	4 139	(5 964)	(5 964)	(5 964)	-	(5 962)	(5 960)	-
Application of cash and investments											
Unspent conditional transfers		7 793	17 803	11 902	44 058	44 058	44 058	-	45 563	44 903	-
Unspent borrowing		-	-	-	2 000	2 000	2 000	-	2 106	2 209	-
Statutory requirements	2										
Other working capital requirements	3	(91 810)	(25 157)	(22 572)	(83 160)	(222 506)	(222 506)	-	(140 936)	(202 195)	-
Other provisions		8 472	9 853	-	10 955	10 955	10 955	-	11 547	12 113	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(75 545)	2 498	(10 670)	(26 146)	(165 492)	(165 492)	-	(81 720)	(142 970)	-
Surplus(shortfall)		76 514	(16 391)	14 809	20 182	159 528	159 528	-	75 758	137 010	-

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

MP302 Msukaligwa - Table A9 Asset Management

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CAPITAL EXPENDITURE										
Total New Assets	1	36 096	41 122	56 540	78 269	84 376	84 376	100 973	114 686	52 341
Infrastructure - Road transport		1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Infrastructure - Electricity		4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Infrastructure - Water		12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Infrastructure - Sanitation		8 940	8 631	5 145	-	2 000	2 000	12 805	17 672	4 999
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		27 656	31 339	50 901	74 269	81 582	81 582	98 573	110 734	48 341
Community		4 062	2 249	149	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	1 348	292	3 226	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	274	3 226	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	274	3 226	-	-	-	-	-	-
Community		1 348	18	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Infrastructure - Road transport		1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Infrastructure - Electricity		4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Infrastructure - Water		12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Infrastructure - Sanitation		8 940	8 904	8 371	-	2 000	2 000	12 805	17 672	4 999
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		27 656	31 612	54 127	74 269	81 582	81 582	98 573	110 734	48 341
Community		5 409	2 267	149	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	37 444	41 414	59 766	78 269	84 376	84 376	100 973	114 686	52 341
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5									
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		4 526	4 522	4 561	5 028	5 028	5 028	5 295	5 554	-
Other assets		-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		442	230	749	64	64	64	33	18	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	4 968	4 752	5 310	5 092	5 092	5 092	5 328	5 572	-
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		20 166	28 152	27 270	6 614	13 647	13 647	5 481	4 794	5 053
Repairs and Maintenance by Asset Class	3	14 891	14 445	16 475	24 936	22 002	22 002	26 191	27 605	29 049
Infrastructure - Road transport		2 173	831	1 079	4 686	2 536	2 536	3 302	3 480	3 668
Infrastructure - Electricity		4 432	5 429	5 565	7 219	7 479	7 479	7 898	8 325	8 774
Infrastructure - Water		1 672	1 340	1 933	2 440	3 355	3 355	3 464	3 651	3 848
Infrastructure - Sanitation		340	888	620	855	793	793	837	883	930
Infrastructure - Other		432	1 041	1 018	1 345	1 349	1 349	1 473	1 552	1 636
Infrastructure		9 049	9 529	10 214	16 745	15 513	15 513	16 974	17 891	18 857
Community		489	303	337	600	418	418	581	612	599
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	5 353	4 613	5 924	7 591	6 071	6 071	8 636	9 103	9 594
TOTAL EXPENDITURE OTHER ITEMS		35 056	42 598	43 745	31 550	35 648	35 648	31 872	32 399	34 102
Renewal of Existing Assets as % of total capex		3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		6.7%	1.0%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		6.2%	5.8%	5.4%	9.1%	8.0%	8.0%	9.2%	9.3%	0.0%
Renewal and R&M as a % of PPE		327.0%	310.0%	371.0%	490.0%	432.0%	432.0%	492.0%	495.0%	0.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category

MP302 Msukaligwa - Table A10 Basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Household service targets</u>	1									
<u>Water:</u>										
Piped water inside dwelling		-	27 727	-	29 362	29 362	29 362	30 948	32 464	-
Piped water inside yard (but not in dwelling)		-	7 475	-	7 916	7 916	7 916	8 343	8 752	-
Using public tap (at least min.service level)	2	-	2 938	-	2 764	2 764	2 764	2 615	2 487	-
Other water supply (at least min.service level)	4	-	353	-	332	332	332	314	297	-
Minimum Service Level and Above sub-total		-	38 493	-	40 374	40 374	40 374	42 220	44 000	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	1 688	-	1 588	1 588	1 588	1 502	1 429	-
No water supply		-	369	-	347	347	347	328	312	-
Below Minimum Service Level sub-total		-	2 057	-	1 935	1 935	1 935	1 830	1 741	-
Total number of households	5	-	40 550	-	42 309	42 309	42 309	44 050	45 741	-
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		-	29 979	-	31 747	31 747	31 747	33 462	35 101	-
Flush toilet (with septic tank)		-	992	-	1 050	1 050	1 050	1 107	1 161	-
Chemical toilet		-	428	-	453	453	453	477	501	-
Pit toilet (ventilated)		-	6 508	-	6 891	6 891	6 891	7 264	7 620	-
Other toilet provisions (> min.service level)		-	106	-	112	112	112	118	124	-
Minimum Service Level and Above sub-total		-	38 013	-	40 253	40 253	40 253	42 428	44 507	-
Bucket toilet		-	69	-	64	64	64	61	58	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	1 314	-	1 236	1 236	1 236	1 169	1 227	-
Below Minimum Service Level sub-total		-	1 383	-	1 300	1 236	1 236	1 230	1 285	-
Total number of households	5	-	39 396	-	41 553	41 489	41 489	43 658	45 792	-
<u>Energy:</u>										
Electricity (at least min.service level)		-	12 766	-	13 519	13 519	13 519	14 249	14 947	-
Electricity - prepaid (min.service level)		-	16 379	-	17 345	17 345	17 345	18 282	19 177	-
Minimum Service Level and Above sub-total		-	29 145	-	30 864	30 864	30 864	32 531	34 124	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	9 717	-	9 143	9 143	9 143	8 649	8 226	-
Below Minimum Service Level sub-total		-	9 717	-	9 143	9 143	9 143	8 649	8 226	-
Total number of households	5	-	38 862	-	40 007	40 007	40 007	41 180	42 350	-
<u>Refuse:</u>										
Removed at least once a week		-	26 216	-	27 762	27 762	27 762	29 261	30 695	-
Minimum Service Level and Above sub-total		-	26 216	-	27 762	27 762	27 762	29 261	30 695	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	334	-	314	314	314	297	282	-
Using own refuse dump		-	10 404	-	9 790	9 790	9 790	9 261	8 807	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	1 807	-	1 700	1 700	1 700	1 608	1 529	-
Below Minimum Service Level sub-total		-	12 545	-	11 804	11 804	11 804	11 156	10 818	-
Total number of households	5	-	38 761	-	39 566	39 566	39 566	40 427	41 313	-
<u>Households receiving Free Basic Service</u>	7									
Water (6 kilolitres per household per month)		-	38 862	-	41 154	41 154	41 154	43 377	45 502	-
Sanitation (free minimum level service)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
Electricity/other energy (50kwh per household per month)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
Refuse (removed at least once a week)		-	9 002	-	11 000	11 000	11 000	11 000	11 000	-
<u>Cost of Free Basic Services provided (R'000)</u>	8									
Water (6 kilolitres per household per month)		0	0	-	0	0	0	0	0	-
Sanitation (free sanitation service)		-	0	-	0	0	0	0	0	-
Electricity/other energy (50kwh per household per month)		0	0	-	0	0	0	0	0	-
Refuse (removed once a week)		-	0	-	0	0	0	0	0	-
Total cost of FBS provided (minimum social package)		0	0	-	0	0	0	0	0	-
<u>Highest level of free service provided</u>										
Property rates (R value threshold)		15 000	-	-	15 000	15 000	15 000	15 000	15 000	-
Water (6 kilolitres per household per month)		-	-	-	6 000	6 000	6 000	6 000	6 000	-
Sanitation (kilolitres per household per month)		-	6 000	-	6 000	6 000	6 000	6 000	6 000	-
Sanitation (Rand per household per month)		-	-	-	61	66	66	58	77	-
Electricity (kwh per household per month)		-	20	-	20	38	38	20	20	-
Refuse (average litres per week)		-	85	-	85	85	85	85	85	-
<u>Revenue cost of free services provided (R'000)</u>	9									
Property rates (R15 000 threshold rebate)		-	1 045	-	1 154	115	115	1 211	1 272	-
Property rates (other exemptions, reductions and rebates)		-	3 688	-	3 344	3 344	3 344	3 521	3 694	-
Water		-	12 355	-	13 255	13 255	13 255	13 335	13 415	-
Sanitation		-	6 299	-	6 729	6 729	6 729	6 951	7 180	-
Electricity/other energy		-	4 092	-	4 225	4 225	4 225	4 292	4 361	-
Refuse		-	5 853	-	6 573	6 573	6 573	6 954	7 406	-
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of free services provided (total social package)		-	33 333	-	35 279	34 241	34 241	34 284	37 327	-

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service

MP302 Meukaligwa - Supporting Table SAI Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year 1+2014/15	Budget Year 2+2015/16		
R thousand													
REVENUE (ITEMS:													
Property related:													
Total Property Rates	6	40 974	45 951	54 538	61 417	59 217	59 217	30 341	62 333	65 699	69 247		
Less Revenue Foreign		4 120	3 288	3 096	3 344	3 344	3 344	1 554	2 462	2 595	2 735		
Net Property Rates		36 845	42 273	51 442	58 073	65 873	55 873	37 787	59 871	63 104	66 511		
Service charges - electricity revenue													
Total Service charges - electricity revenue	6	80 440	99 593	117 678	165 454	149 645	149 645	99 758	168 639	177 713	187 310		
Less Revenue Foreign													
Net Service charges - electricity revenue		80 440	99 593	117 678	153 454	149 645	149 645	99 758	168 639	177 713	187 310		
Service charges - water revenue													
Total Service charges - water revenue	6	17 614	22 678	18 229	24 711	21 866	21 866	14 288	23 548	34 921	26 161		
Less Revenue Foreign													
Net Service charges - water revenue		17 614	22 678	18 229	24 711	21 866	21 866	14 288	23 548	34 921	26 161		
Service charges - sanitation revenue													
Total Service charges - sanitation revenue	6	13 711	15 445	17 387	18 250	26 891	20 891	13 854	22 606	23 827	25 114		
Less Revenue Foreign													
Net Service charges - sanitation revenue		13 711	15 445	17 387	18 290	20 891	20 891	13 854	22 606	23 827	25 114		
Service charges - refuse revenue													
Total refuse removal revenue	6	12 855	15 057	16 163	17 763	16 929	18 929	12 564	20 347	21 445	22 603		
Less Revenue Foreign													
Net Service charges - refuse revenue		12 855	15 057	16 163	17 768	18 928	18 929	12 564	20 347	21 445	22 603		
Other Revenue by source:													
Administration Fees	15 048	12 929	12 220	23 810	15 977	15 977	5 102	25 400	26 772	28 218			
Commission on Insurance Premiums	63	78	87	88	88	88	56	90	95	100			
Royalties Received	113	2	2	2	2	2	1	2	2	2			
Money's Received Unallocated	2 000	2 514	1 723	506	622	622	385	606	635	600			
Transfers Recognised - Capital	36 425	32 411	58 738	-	-	-	-	-	-	-			
Total 'Other' Revenue	1	53 849	47 934	72 779	24 447	16 689	16 689	5 543	26 698	27 495	28 990		
EXPENDITURE ITEMS:													
Employee related costs:													
Basic Salaries and Wages	2	58 551	66 267	72 557	96 804	79 949	79 949	52 723	95 341	101 408	107 248		
Pension and UIF Contributions		15 959	18 542	20 500	24 733	22 763	22 763	15 010	29 232	27 648	29 053		
Medical Aid Contributions													
Overtime		8 251	9 720	9 429	7 824	8 942	8 942	7 654	10 000	10 543	11 113		
Performance Bonus		-	-	-	-	-	-	-	-	-	-		
Motor Vehicle Allowance	4 172	4 647	5 710	5 314	6 063	6 063	4 054	6 537	6 967	7 257			
Cellphone Allowance		-	-	-	-	-	-	-	-	-	-		
Housing Allowances		-	-	-	-	-	-	-	-	-	-		
Other benefits and allowances		2 693	2 689	2 629	3 162	3 612	3 612	2 256	3 314	4 020	4 237		
Payments in lieu of leave													
Long service awards													
Post-retirement benefit obligations	4	735	897	1 024	1 232	1 115	1 115	742	1 336	1 408	1 484		
sub-total	5	90 371	102 932	112 313	138 089	122 443	122 443	81 918	143 264	151 965	160 393		
Less: Employee costs capitalised to PPE													
Total Employee related costs	1	90 371	102 932	112 313	138 089	122 443	122 443	81 918	142 264	151 965	160 393		
Commitment recognised - capital													
Other		-	-	-	-	-	-	-	-	-	-		
Mg		-	-	28 368	38 358	38 358	38 358	-	42 257	45 655	49 996		
Inay		-	-	5 700	5 700	5 700	5 700	-	21 571	15 000	20 000		
Direct Acquisition		-	-	18 114	18 114	18 114	18 114	-	19 128	20 160	21 249		
sub-total		-	-	62 173	62 173	62 173	62 173	-	82 956	81 915	91 245		
Total contributions recognised - capital													
Depreciation & asset impairment													
Depreciation of Property, Plant & Equipment	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053			
Lease amortisation													
Capital asset impairment		-	-	-	-	-	-	-	-	-	-		
Depreciation resulting from revaluation of PPE	10	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053		
Total Depreciation & asset Impairment													
Bank purchases	1	20 166	28 152	27 270	6 614	13 647	13 647	11 695	5 481	4 794	5 053		
Electricity Bulk Purchases		66 410	60 365	106 687	129 875	131 726	131 726	62 270	139 103	146 615	154 532		
Water Bulk Purchases		453	1 364	1 019	1 900	4 900	4 900	2 991	5 174	5 454	5 748		
Total bulk purchases	1	66 410	60 365	106 687	129 875	131 726	131 726	65 261	144 279	152 068	160 280		
Transfers and grants													
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-		
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-		
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-		
Contracted services													
Priya Waterhouse Coopers		589	-	-	20	30	30	18	32	33	36		
Business Connection		1 822	3 176	4 324	4 249	4 449	4 449	2 701	4 688	4 951	5 219		
Various		1 550	1 027	2 369	3 383	3 754	3 754	1 338	3 879	3 034	3 198		
Altima		2 343	4 922	3 016	6 738	4 906	4 906	703	5 079	5 354	5 643		
Kaya Investments Co A C B U		4 765	7 173	7 052	8 048	12 782	12 782	7 411	12 022	12 671	13 355		
Focus Forms		77	23	13	43	43	43	11	44	47	46		
Meter Reading Services		1 476	1 560	1 585	1 500	3 200	3 200	1 472	3 379	3 562	3 754		
sub-total	1	12 524	17 284	18 346	23 935	29 150	29 150	13 641	29 068	29 605	31 264		
Allocations to organs of state:													
Electricity													
Water													
Sanitation													
Other													
Total contracted services		12 524	17 284	18 346	23 935	29 150	29 150	13 641	29 068	29 605	31 264		
Other Expenditure By Type													
Collection costs													
Commissions to other providers		5 568	2 221	11 996	-	-	-	-	-	-	-		
Consumer fees	1 233	1 547	659	790	753	753	19	753	791	834			
Audit fees													
General expenses	2	(1 253)	(1 458)	(3 357)	(1 856)	(543)	(543)	(3 242)	(640)	(717)	(755)		
Advertising		485	578	136	250	270	270	104	295	300	317		
Cleaning		204	347	314	404	387	387	197	414	436	460		
Consultant Expenses		7	26	1	21	21	21	1	25	26	28		
Donations		47	39	5	56	88	88	6	29	31	21		
Entertainment		400	348	333	264	242	242	172	297	313	330		
Insurance		1 188	1 561	1 259	1 575	1 375	1 375	946	1 452	1 530	1 613		
Communications And Seminars		565	1 156	1 128	1 244	1 319	1 319	892	1 428	1 505	1 585		
Licenses		77	23	13	43	43	43	11	44	47	46		
Allegiance, Social & Personal		8	10	5	5	5	5	3	6	6	6		
Memorial Expenses		11	(1)	13	20	20	20	0	21	22	23		
Motor Vehicle Expenses		3 222	3 320	4 228	4 680	5 229	5 229	3 684	5 818	6 139	6 451		
Fuel & Oil		187	163	215	204	312	312	202	332	350	369		
Postage & Courier		709	850	921	1 100	1 091	1 091	610	1 165	1 229	1 295		
Printing & Stationery		474	610	726	841	1 220	1 220	902	1 595	1 636	1 727		
Personnel		0	-	5	16	11	11	2	8	8	9		
Project Management Costs		382	311	192	305	195	195	23	163	203	214		
Research & Development Costs		295	352	702	921	906	906	563	957	1 009	1 063		
Subscriptions & Membership Fees		527	541	891	1 584	1 438	1 438	965	1 519	1 601	1 687		
Telephones & Faxes		1 023	1 458	563	470	620	620	440	639	673	710		
Training		1 418	1 456	1 345	1 549	2 167	2 167	1 234	2 308	2 433	2 564		
Refuse		258	229	294	262	274	274	182	289	306	321		
Electricity		5 303	4 973	5 451	9 434	6 826	6 826	4					

MP302 Msukaligwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Summary Department Town Engineer	Vote 02 - Summary Electricity	Vote 03 - Summary Department Public Safety	Vote 04 - Summary Department Community And Health	Vote 05 - Summary Department Corporate Services	Vote 06 - Summary Council General	Vote 07 - Summary Department Finance	Total
R thousand	1								
Revenue By Source									
Property rates		-	78	-	-	-	-	59 793	59 871
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	168 609	-	-	-	-	-	168 609
Service charges - water revenue		23 549	-	-	-	-	-	-	23 549
Service charges - sanitation revenue		22 606	-	-	-	-	-	-	22 606
Service charges - refuse revenue		-	-	-	-	20 347	-	-	20 347
Service charges - other		137	4 328	49	381	8	1 197	221	6 321
Rental of facilities and equipment		231	4	-	750	1 000	-	-	1 981
Interest earned - external investments		-	-	-	-	-	-	500	501
Interest earned - outstanding debtors		-	-	-	-	-	-	10 373	10 373
Dividends received		-	-	-	-	-	-	-	-
Fines		-	-	981	7	-	2	-	991
Licences and permits		-	-	2 397	12	-	-	-	2 411
Agency services		-	-	4 844	-	-	-	-	4 844
Other revenue		2 224	-	-	-	-	109 953	2 440	114 611
Transfers recognised - operational		17 832	5 407	112	16	1 024	1 279	428	26 091
Gains on disposal of PPE		-	-	-	10 075	-	-	-	10 075
Total Revenue (excluding capital transfers and contribution)		66 579	178 425	8 383	11 241	22 378	112 431	73 755	473 191
Expenditure By Type									
Employee related costs		30 923	8 697	20 739	16 794	32 894	11 113	22 104	143 261
Remuneration of councillors		-	-	-	-	-	10 649	-	10 649
Debt impairment		2 251	5 745	-	-	1 003	-	3 113	12 111
Depreciation & asset impairment		3 525	500	-	386	870	200	-	5 481
Finance charges		2 031	6 506	-	-	864	521	5 235	15 151
Bulk purchases		5 174	139 103	-	-	-	-	-	144 271
Other materials		18	1	30	14	26	1	1	91
Contracted services		631	3 687	12 643	217	6 562	1 894	3 454	29 081
Transfers and grants		28 277	7 108	-	-	7 887	-	3 389	46 661
Other expenditure		20 155	14 421	5 217	4 796	16 479	5 434	(2 530)	63 971
Loss on disposal of PPE		-	-	-	-	-	-	-	-
Total Expenditure		92 987	185 768	38 629	22 208	66 584	29 811	34 765	470 751
Surplus/(Deficit)		(26 408)	(7 343)	(30 246)	(10 966)	(44 206)	82 620	38 989	2 441
Transfers recognised - capital		-	-	-	-	-	82 956	-	-
Contributions recognised - capital		-	-	-	-	-	15 984	-	82 951
Contributed assets		-	-	-	-	-	-	-	15 981
Surplus/(Deficit) after capital transfers & contributions		(26 408)	(7 343)	(30 246)	(10 966)	(44 206)	181 560	38 989	101 381

References

1. Departmental columns to be based on municipal organisation structure

MP302 Msukaligwa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		—	—	—	—	—	—	—	—	—	—
Other current investments > 90 days		—	—	10 000	—	—	—	—	—	—	—
Total Call Investment deposits	2	—	—	10 000	—	—	—	—	—	—	—
Consumer debtors											
Consumer debtors		162 932	203 876	214 596	293 581	293 581	293 581	—	352 297	422 757	—
Less: Provision for debt impairment		—	(143 883)	(143 407)	(189 985)	(49 600)	(49 600)	—	(200 214)	(208 385)	—
Total Consumer debtors	2	162 932	59 993	71 189	103 596	243 981	243 981	—	152 083	214 371	—
Debt impairment provision											
Balance at the beginning of the year		—	15 411	126 251	17 136	17 136	17 136	—	18 062	18 947	—
Contributions to the provision		—	2 221	17 156	32 464	32 464	32 464	—	34 187	34 223	—
Bad debts written off		—	126 251	—	140 385	—	—	—	147 965	155 216	—
Balance at end of year		—	143 883	143 407	189 985	49 600	49 600	—	200 214	208 385	—
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		422 946	459 988	540 638	536 530	536 530	536 530	—	579 452	625 808	—
Leases recognised as PPE		—	—	—	—	—	—	—	—	—	—
Less: Accumulated depreciation		182 912	209 700	237 529	263 047	263 047	263 047	—	294 613	329 967	—
Total Property, plant and equipment (PPE)	2	240 034	250 288	303 109	273 482	273 482	273 482	—	284 839	295 842	—
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		—	—	20	—	—	—	—	—	—	—
Current portion of long-term liabilities		2 012	2 204	3 162	3 404	3 404	3 404	—	4 204	5 004	—
Total Current liabilities - Borrowing		2 012	2 204	3 182	3 404	3 404	3 404	—	4 204	5 004	—
Trade and other payables											
Trade and other creditors		30 526	29 508	44 575	33 155	33 155	33 155	—	35 145	37 253	—
Unspent conditional transfers		7 793	17 803	11 902	44 058	44 058	44 058	—	45 563	44 903	—
VAT		—	8 077	8 632	—	—	—	—	—	—	—
Total Trade and other payables	2	38 319	55 388	65 109	77 213	77 213	77 213	—	80 708	82 156	—
Non current liabilities - Borrowing											
Borrowing		3 376	5 717	5 488	11 366	11 366	11 366	—	16 026	22 596	—
Finance leases (including PPP asset element)		—	—	—	—	—	—	—	—	—	—
Total Non current liabilities - Borrowing		3 376	5 717	5 488	11 366	11 366	11 366	—	16 026	22 596	—
Provisions - non-current											
Retirement benefits		16 521	18 742	30 738	23 540	23 540	23 540	—	26 351	29 491	—
Leave Reserve		—	—	—	—	—	—	—	—	—	—
Refuse landfill site rehabilitation		—	—	23 875	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total Provisions - non-current		16 521	18 742	54 613	23 540	23 540	23 540	—	26 351	29 491	—
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		—	—	—	—	—	—	—	—	—	—
GRAP adjustments		—	—	—	—	—	—	—	—	—	—
Restated balance		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)		34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 96
Appropriations to Reserves		—	—	—	—	—	—	—	—	—	—
Transfers from Reserves		—	—	—	—	—	—	—	—	—	—
Depreciation offsets		—	—	—	—	—	—	—	—	—	—
Other adjustments		—	—	—	—	—	—	—	—	—	—
Accumulated Surplus/(Deficit)	1	34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 96
Reserves											
Housing Development Fund		—	—	—	—	—	—	—	—	—	—
Capital replacement		—	—	—	—	—	—	—	—	—	—
Self-insurance		—	—	—	—	—	—	—	—	—	—
Other reserves		—	—	—	—	—	—	—	—	—	—
Revaluation		—	—	—	—	—	—	—	—	—	—
Total Reserves	2	—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	34 564	24 947	35 226	81 876	80 379	80 379	40 092	101 381	114 875	133 96

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services

MP302 Msukaligwa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective R thousand	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
To Ensure Community Participation In The Affairs Of The Municipality	4 Local Aids Council Meetings Held	B		304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525
Total Revenue (excluding capital transfers and contributions)			1	304 249	350 152	411 388	459 076	422 019	422 019	473 193	500 632	520 525

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

MP302 Msukaligwa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective R thousand	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
To Ensure Community Participation In The Affairs Of The Municipality	4 Local Aids Council Meetings Held	B		283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 302
Total Expenditure			1	283 239	334 649	376 027	455 063	419 502	419 502	470 752	493 572	520 302

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

MP302 Msukaligwa - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
To Ensure Community Participation In The Affairs Of The Held Municipality	4 Local Aids Council Meetings	B		41 495	42 448	61 469	81 863	87 970	87 970	104 831	118 753	56 62
Total Capital Expenditure			1	41 495	42 448	61 469	81 863	87 970	87 970	104 831	118 753	56 62

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

MP302 Msukaligwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.1%	3.7%	3.9%	3.4%	4.2%	4.2%	4.1%	4.0%	4.0%	3.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4.9%	4.6%	4.6%	4.5%	5.7%	5.7%	4.8%	5.2%	5.2%	4.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	50.0%	40.5%	40.5%	0.0%	27.0%	50.6%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	3.5	1.1	1.5	1.4	3.0	3.0	—	1.8	2.3	
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.5	1.1	1.5	1.4	3.0	3.0	—	1.8	2.3	
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.1	0.0	0.0	0.0	—	0.0	0.0	
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	58.3%	21.4%	21.6%	27.2%	62.9%	62.9%	0.0%	37.6%	49.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	0.0%	0.0%	0.0%	95.0%	95.0%	95.0%	0.0%	95.0%	95.0%	0.0%
Creditors to Cash and Investments		3149.2%	-212.4%	-760.5%	399.5%	399.5%	399.5%	0.0%	431.7%	-161.0%	0.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	Total Volume Losses (kt)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.7%	29.4%	27.3%	30.1%	29.0%	29.0%	30.2%	30.3%	30.4%	30.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	2.3%	31.7%	29.5%	30.7%	35.0%	35.0%		31.3%	31.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.9%	4.1%	4.0%	5.4%	5.2%	5.2%		5.5%	5.5%	5.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.6%	10.7%	9.6%	4.2%	6.7%	6.7%	7.8%	4.4%	4.1%	4.2%
IDP regulation financial viability Indicators											
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	19.7	20.0	22.5	24.6	24.6	24.6	12.6	20.2	—	
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	107.4%	37.6%	39.7%	44.6%	96.9%	96.9%	0.0%	58.7%	75.9%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.1	(0.6)	(0.2)	0.3	0.3	0.3	—	0.3	(0.7)	(0)

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

MP302 Msukaligwa - Supporting Table S49 Social, economic and demographic statistics and assumptions

Demographics	Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue Framework	
								Outcome	Original Budget	Outcome	Original Budget	
Population	SURVEY SURVEY SURVEY STATISTICS SOUTH AFRICA STATISTICS SA & COMMUNITY SURVEY STATISTICS SA & COMMUNITY SURVEYS			-	125	153	155	-	158	162	165	16
Females aged 5 - 14				-	15	13	16	-	16	16	16	17
Males aged 5 - 14				-	15	14	17	-	17	17	17	17
Females aged 15 - 34				-	23	23	29	-	29	30	30	30
Males aged 15 - 34				-	21	23	28	-	28	28	28	28
Unemployment				-	-	0	0	-	0	0	0	0
Monthly household income (no. of households)	1,12											
No income	STATISTICS SOUTH AFRICA CENSUS 2001&2007 GLOBAL INSIGHT SA REGIONAL EXPLORE 524			5 852	-	91	41	-	30	25	25	20
R1 - R1 600				3 424	-	305	8	-	7	5	4	
R1 601 - R3 200				6 272	-	3 395	-	-	3 856	3 624	3 624	3 407
R3 201 - R8 400				5 728	-	4 351	4 103	-	11 663	11 838	12 015	
R8 401 - R12 800				4 170	-	11 307	11 491	-				
R12 801 - R25 600				2 382	-	7 000	7 489	-	7 885	8 358	8 859	
R25 601 - R5 200				1 583	-	4 604	5 138	-	5 497	5 882	6 293	
R52 201 - R102 400				626	-	4 733	4 982	-	5 231	5 482	5 767	
R102 401 - R204 800				110	-	1 403	1 524	-	1 645	1 777	1 919	
R204 801 - R405 600				42	-	770	880	-	994	1 123	1 269	
R409 601 - R819 200				36	-	193	235	-	272	310	354	
> R819 200				28	-	36	42	-	48	55	64	
Poverty profile (no. of households)												
< R2 060 per household per month	13	GLOBAL INSIGHT		-	-	827 100	827 100	0.00	1 202 000	1 137 100	1 081 400	1 081 400
INDIGENT ARE HOUSEHOLDS WHO EARNED LESS				-	-	-	-	0.00	0.00	0.00	0.00	0.00
Household demographies (000)												
Number of people in municipal area	STATISTICS SOUTH AFRICA			12 812	126 274	153	155	-	156	156	156	156
Number of poor people in municipal area	STATISTICS SOUTH AFRICA 2001 & SURVEY 2007			76 139	79 117	-	80	-	80	80	80	80
Number of households in municipal area	STATISTICS SOUTH AFRICA			30 303	34 774	-	39	-	39	40	40	40
Number of poor households in municipal area	NO OF PEOPLE LIVING WITH LESS THAN \$1 PER			-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)												
Housing statistics												
Formal	3	2001 CENSUS		26 321	31 751	34 689	35 200	-	35 728	36 263	36 807	36 807
Informal				3 982	3 023	3 705	3 662	-	3 618	3 575	3 531	
Total number of households				30 303	34 774	38 394	38 862	-	39 346	39 838	40 338	
Dwellings provided by municipality				-	-	-	-	-	-	-	-	
Dwellings provided by provincial				-	-	-	-	-	-	-	-	
Dwellings provided by private sector				-	-	-	-	-	-	-	-	
Total new housing dwellings				-	-	-	-	-	-	-	-	
Economic												
Inflation/inflation outlook (CPI%)						6.0%	6.0%	0.0%	6.0%	5.0%	0.0%	0.0%
Interest rate - borrowing						10.0%	10.0%	0.0%	10.0%	10.0%	0.0%	0.0%
Interest rate - investment						5.0%	5.0%	0.0%	5.0%	5.0%	0.0%	0.0%
Remuneration increases						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates												
Property tax/service charges						73.0%	73.0%	0.0%	74.0%	75.0%	76.0%	76.0%
Rental of facilities & equipment						130 650 0.0%	130 650 0.0%	0.0%	148 237 0.0%	156 979 1.0%	164 670 0.0%	164 670 0.0%
Interest - external investments						5.0%	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors						12.0%	12.0%	0.0%	12.0%	12.0%	12.0%	12.0%
Revenue from agency services						179 180 0.0%	179 180 0.0%	0.0%	285 900 0.0%	281 164 0.5%	294 941 0.5%	294 941 0.5%
Detail on the provision of municipal services for A10												
Total municipal services												
Ref.	Household service targets (000)											
Water:	Piped water inside dwelling											
	Piped water inside yard (but not in dwelling)											
	2009/10	2010/11	2011/12									
	Outcome	Outcome	Outcome									
	Budget Year +1	Budget Year +1	Budget Year +1									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
	2013/14	2013/14	2013/14									
	Ref.	Ref.	Ref.									
	Water:	Piped water inside dwelling	Piped water inside yard (but not in dwelling)									
					</							

MP302 Msukaligwa Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/vash equivalents at the year end - R'000	18(1)b	1	969	(13 893)	(5 861)	8 300	8 300	8 300	-	8 141	(23 135)	(23 135)
Cash + investments at the yr end less applications - R'000	18(1)b	2	76 514	(16 391)	14 809	20 182	159 528	159 528	-	75 758	137 010	-
Cash year end/monthly employee/supplier payments	18(1)b	3	0.1	(0.6)	(0.2)	0.3	0.3	0.3	-	0.3	(0.7)	(0.7)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	21 009	15 504	35 361	81 876	80 379	80 379	40 092	101 381	114 875	133 967
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.7%	7.5%	18.0%	(15.3%)	(6.0%)	(39.5%)	4.8%	0.5%	(1.7%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	69.0%	73.0%	74.9%	93.0%	96.3%	96.3%	0.0%	99.0%	97.6%	0.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	8.4%	7.7%	7.9%	15.0%	3.6%	3.6%	0.0%	4.0%	4.0%	4.0%
Capital payments % of capital expenditure	18(1)c;19	8	127.4%	79.6%	121.6%	80.8%	75.2%	75.2%	0.0%	62.3%	55.9%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt legislated/gazetted allocations	18(1)a	10								7394.6%	700.6%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(57.9%)	19.6%	39.6%	112.2%	0.0%	(160.0%)	(13.0%)	37.9%	(160.0%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	6.2%	5.8%	5.4%	9.1%	8.0%	8.0%	0.0%	9.2%	9.3%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

MP302 Msukaligwa - Supporting Table SA11 Property rates summary

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Valuation:	1	2006/07/01	2010/07/01	2011/07/01	1900/01/02			0		
Date of valuation:		0	2010	0	2011					
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2		Y		Y					
Municipal/assistant valuer appointed? (Y/N)			Y		Y					
Municipal partnership s38 used? (Y/N)								N		
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	-	-	-	-	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)			Y		Y					
Implementation time of new valuation roll (mths)								-	-	-
No. of properties	5	-	-	-	26 179	52 358	52 358	27 487	28 586	-
No. of sectional title values	5	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)			-		-	-	-	-	-	-
No. of supplementary valuations			-		530	1 060	1 060	559	585	-
No. of valuation roll amendments			-		530	1 060	1 060	558	585	-
No. of objections by rate payers			-		159	318	318	167	175	-
No. of appeals by rate payers			-		-	-	-	-	-	-
No. of successful objections	8	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	8	-	-	-	-	-	-	-	-	-
Supplementary valuation			-		-	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	-	-	49	98	98	52	54	-
Municipality owned property value (Rm)		-	-	-	389	778	778	410	428	-
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5	-	-	-	-	-	-	-	-	-
Total land value (Rm)	5	-	-	-	10 061	20 122	20 122	10 604	11 124	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)			Y		Y	Y				
Differential rates used? (Y/N)	5		N		N	N				
Limit on annual rate increase (s20)? (Y/N)			Y		Y	Y				
Special rating area used? (Y/N)			N		N	N				
Phasing-in properties s21 (number)		0								
Rates policy accompanying budget? (Y/N)			Y		Y	Y				
Fixed amount minimum value (R'000)		-								
Non-residential prescribed ratio s19? (%)		0.0%								
Rate revenue:										
Rate revenue budget (R '000)	6	-	45 902	-	61 343	122 685	122 685	64 594	67 759	-
Rate revenue expected to collect (R'000)	6	-	42 214	-	58 073	116 146	116 146	61 151	64 147	-
Expected cash collection rate (%)		0.0%	98.0%	0.0%	95.0%	190.0%	190.0%	96.0%	97.0%	0.0%
Special rating areas (R'000)	7	-								
Rebates, exemptions - indigent (R'000)		-	-	-	742	1 484	1 484	782	821	-
Rebates, exemptions - pensioners (R'000)		-	91	-	149	297	297	157	164	-
Rebates, exemptions - bona fide farm. (R'000)		-	1 679	-	1 579	3 157	3 157	1 662	1 744	-
Rebates, exemptions - other (R'000)		-	1 919	-	1 617	3 233	3 233	1 702	1 786	-
Phase-in reductions/discounts (R'000)		-								
Total rebates,exemptns,reductns,discts (R'000)		-	3 688	-	4 086	8 172	8 172	4 303	4 514	-

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

MP302 Msukaligwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
01 - Summary Department Town Engineer										
Waste Water Management										
Sewerage										
Bucket Toilet	Households	-	69.00	-	64.00	-	-	61.00	58.00	
Chemical Toilet	Households	-	428.00	-	453.00	453.00	453.00	477.00	501.00	
Flush Toilet (Connected To Sewerage)	Households	-	29 979.00	-	31 747.00	31 747.00	31 747.00	33 462.00	35 101.00	
Flush Toilet (With Septic Tank)	Households	-	992.00	-	1 050.00	1 050.00	1 050.00	1 107.00	1 161.00	
No Toilet Provisions	Households	-	1 314.00	-	1 236.00	1 236.00	1 236.00	1 169.00	1 227.00	
Other Toilet Provisions (< Min.Service	Households	-	-	-	-	-	-	-	-	
Other Toilet Provisions (> Min.Service	Households	-	106.00	-	112.00	112.00	112.00	118.00	124.00	
Pit Toilet (Ventilated)	Households	-	6 508.00	-	6 891.00	6 891.00	6 891.00	7 264.00	7 620.00	
Sanitation	Rand Value	-	6 299 370.00	-	6 728 590.00	6 728 590.00	6 728 590.00	6 950 633.00	7 180 004.00	
Sanitation (Free Minimum Level Service)	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Sanitation (Free Sanitation Service)	Rand Value	-	51.98	-	56.26	70.00	70.00	58.51	60.85	
Sanitation (Kilolitres Per Household Per	Kilolitres Per Household	-	6 000.00	-	6 000.00	6 000.00	6 000.00	6 000.00	6 000.00	
Sanitation (Rand Per Household Per Month)	Rand Per Household Per	-	-	-	61.15	66.46	66.46	68.48	76.69	
Water										
Water Distribution										
No Water Supply	Households	-	369.00	-	347.00	347.00	347.00	328.00	312.00	
Other Water Supply (< Min.Service Level)	Households	-	1 688.00	-	1 588.00	1 588.00	1 588.00	1 502.00	1 429.00	
Other Water Supply (At Least Min.Service	Households	-	353.00	-	332.00	332.00	332.00	314.00	297.00	
Piped Water Inside Dwelling	Households	-	27 727.00	-	29 362.00	29 362.00	29 362.00	30 948.00	32 464.00	
Piped Water Inside Yard (But Not In	Households	-	7 475.00	-	7 916.00	7 916.00	7 916.00	8 343.00	8 752.00	
Using Public Tap (At Least Min.Service	Households	-	2 938.00	-	2 764.00	2 764.00	2 764.00	2 615.00	2 487.00	
Water	Rand Value	-	12 355 200.00	-	13 255 056.00	13 255 056.00	13 255 056.00	1 334 586.00	13 414 593.00	
Water (6 Kilolitres Per Household Per	Households	-	38 862.00	-	41 154.00	41 154.00	41 154.00	43 377.00	45 502.00	
Water (6 Kilolitres Per Household Per	Rand Value	31.20	34.32	-	38.86	41.00	41.00	41.26	43.81	
Water (Kilolitres Per Household Per Month)	Kilolitres Per Household	-	-	-	6 000.00	6 000.00	6 000.00	6 000.00	6 000.00	
02 - Summary Electricity										
Electricity										
Electricity Distribution										
Electricity (At Least Min.Service Level)	Households	-	12 766.00	-	13 519.00	13 519.00	13 519.00	14 249.00	14 947.00	
Electricity (Kwh Per Household Per Month)	Kwh Per Household Per	-	20.00	-	20.00	38.00	38.00	20.00	20.00	
Electricity - Prepaid (Min.Service Level)	Households	-	16 379.00	-	17 345.00	17 345.00	17 345.00	18 282.00	19 177.00	
Electricity/Other Energy	Rand Value	-	4 092 000.00	-	4 224 528.00	4 224 528.00	4 224 528.00	4 292 120.00	4 360 794.00	
Electricity/Other Energy (50kwh Per	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Electricity/Other Energy (50kwh Per	Rand Value	31.00	31.00	-	31.97	38.00	38.00	32.44	32.92	
Other Energy Sources	Households	-	9 717.00	-	9 143.00	9 143.00	9 143.00	8 649.00	8 226.00	
05 - Summary Department Corporate Services										
Waste Management										
Solid Waste										
No Rubbish Disposal	Households	-	1 807.00	-	1 700.00	1 700.00	1 700.00	1 608.00	1 529.00	
Refuse	Rand Value	-	5 852 750.00	-	6 572 973.00	6 572 973.00	6 572 973.00	6 954 205.00	7 406 228.00	
Refuse (Average Litres Per Week)	Average Litres Per Week	-	85.00	-	85.00	85.00	85.00	85.00	85.00	
Refuse (Removed At Least Once A Week)	Households	-	9 002.00	-	11 000.00	11 000.00	11 000.00	11 000.00	11 000.00	
Refuse (Removed Once A Week)	Rand Value	-	48.29	-	54.43	67.00	67.00	57.42	60.57	
Removed At Least Once A Week	Households	-	26 216.00	-	27 762.00	27 762.00	27 762.00	29 261.00	30 695.00	
Removed Less Frequency Than Once A	Households	-	-	-	-	-	-	-	-	
Using Communal Refuse Dump	Households	-	334.00	-	314.00	314.00	314.00	297.00	282.00	
Using Own Refuse Dump	Households	-	10 404.00	-	9 790.00	9 790.00	9 790.00	9 261.00	8 807.00	
06 - Summary Council General										
Budget And Treasury Office										
Budget And Treasury Office										
Property Rates (Other Exemptions	Rand Value	-	3 688 000.00	-	3 344 000.00	3 344 000.00	3 344 000.00	3 521 000.00	3 694 000.00	
Property Rates (R000 Value Threshold)	Rand Value Threshold	15 000.00	-	-	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	
Property Rates (R15 000 Threshold Rebate)	Rand Value	-	1 045 230.00	-	1 153 582.00	115 385.00	115 385.00	1 211 261.00	1 271 824.00	
07 - Summary Department Finance										
Budget And Treasury Office										
Budget And Treasury Office										
Property Rates (Other Exemptions	Rand Value	-	3 688 000.00	-	3 344 000.00	3 344 000.00	3 344 000.00	3 521 000.00	3 694 000.00	
Property Rates (R000 Value Threshold)	Rand Value Threshold	15 000.00	-	-	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	
Property Rates (R15 000 Threshold Rebate)	Rand Value	-	1 045 230.00	-	1 153 582.00	115 385.00	115 385.00	1 211 261.00	1 271 824.00	

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))

2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities

3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

MP302 Msukaligwa - Entities measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))

2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

MP302 Msukaligwa - Supporting Table SA12a Property rates by category (current year)

References

2. Include value of additional reductions is 'free' value greater than MPRA minimum.

2. *Include value of additional reductions is 'free' value greater than MPRA minimum.*

2. include value of additional reductions in tree value greater than MRRA minimum.

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3. Average rate - cents in the Band. Eg 10.26 cents in the Band is 0.1026 expressed as a decimal.

3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed

3. Average rate - cents in the Rand. Eg 10.20 Cents in the Rand is 0.1020, expressed as

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A *Include arrays collections*

4. *Include arrears collections*

4. Include arrays collections

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5. /P favour of the rate-payer

5. In favour of the rate-payer

J. M. RAVOUR ET AL.

MP302 Msukaligwa - Supporting Table SA13a Service Tariffs by category

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1. If properties are not rated or zero rated this must be indicated as such
2. Please provide detailed descriptions on Sheet SA13b

MP302 Maukaligwa - Supporting Table SA13b Service Tarike by category - explanatory

Description	Ref	Previous description of last activity where appropriate	2008/09	2010/11	2011/12	Current Year
Expenditure, collection and delivery (2005)						2013/14 Budget Review & Expenditure Framework
Waste Setts:						
Waste setts						
Bottled water						

MP302 Msukaligwa - Supporting Table SA14 Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent											
<u>Monthly Account for Household - 'Middle Income Range'</u>	1										
Rates and services charges:											
Property rates		-	175.62	-	199.66	199.66	199.66	-	210.44	220.75	-
Electricity: Basic levy		-	70.00	-	104.00	104.00	104.00	-	110.00	115.00	-
Electricity: Consumption		-	554.80	-	703.19	703.19	703.19	-	741.16	777.47	-
Water: Basic levy		-									
Water: Consumption		-	37.62	-	41.33	41.33	41.33	-	43.56	45.69	-
Sanitation		-	51.87	-	59.86	59.86	59.86	-	63.09	66.18	-
Refuse removal		-	49.49	-	58.30	58.30	58.30	-	61.44	64.45	-
Other		-									
sub-total			939.40	-	1 166.34	1 166.34	1 166.34	5.4%	1 229.69	1 289.54	-
VAT on Services		-	85.00	-	105.00	105.00	105.00	-	110.00	116.00	-
Total large household bill:		-	1 024.40	-	1 271.34	1 271.34	1 271.34	5.4%	1 339.69	1 405.54	-
% increase/-decrease		-		(100.0%)	-	-	-	5.4%	5.4%	4.9%	(100.0%)
<u>Monthly Account for Household - 'Affordable Range'</u>	2										
Rates and services charges:											
Property rates		-	8.80	-	10.04	10.04	10.04	-	10.50	11.09	-
Electricity: Basic levy		-	70.00	-	104.00	104.00	104.00	-	110.00	115.00	-
Electricity: Consumption		-	29.93	-	37.93	37.93	37.93	-	39.97	41.92	-
Water: Basic levy		-									
Water: Consumption		-									
Sanitation		-	51.80	-	59.86	59.86	59.86	-	63.09	66.18	-
Refuse removal		-	49.45	-	58.30	58.30	58.30	-	61.44	64.45	-
Other		-									
sub-total			209.98	-	270.13	270.13	270.13	5.5%	285.00	298.64	-
VAT on Services		-	172.00	-	200.00	200.00	200.00	-	210.00	221.00	-
Total small household bill:		-	381.98	-	470.13	470.13	470.13	5.3%	495.00	519.64	-
% increase/-decrease		-		(100.0%)	-	-	-	5.3%	5.0%	5.0%	(100.0%)
<u>Monthly Account for Household - 'Indigent'</u>	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		-	6.00	-	9.66	9.66	9.66	-	10.18	10.67	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	31.00	-	33.35	33.35	33.35	-	35.15	36.87	-
Water: Basic levy		-									
Water: Consumption		-	34.32	-	38.75	38.75	38.75	-	40.84	42.84	-
Sanitation		-	51.98	-	57.29	57.29	57.29	-	60.38	63.33	-
Refuse removal		-	48.29	-	54.64	54.64	54.64	-	57.59	60.41	-
Other		-						-	-	-	-
sub-total			171.59	-	193.69	193.69	193.69	5.4%	204.14	214.12	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	171.59	-	193.69	193.69	193.69	5.4%	204.14	214.12	-
% increase/-decrease		-		(100.0%)	-	-	-	5.4%	4.9%	4.9%	(100.0%)

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

MP302 Msukaligwa - Supporting Table SA15 Investment particulars by type

Investment type R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

MP302 Msukaligwa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of Institution & Investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment	Monetary value	Interest to be realise
											Rand thousand
Parent municipality											
ABSA 1		1	DEPOSIT BANK	No	Fixed	5.55	0	0	20 August 2012	5 000	2
FIRST NATIONAL BANK		2	DEPOSIT BANK	Yes	Fixed	5.21	0	0	21 September 2012	5 000	4
ABSA 3		3	FIXED	Yes	Fixed	3	0	0	16 October 2012	5 000	5 00
ABSA 4		4	FIXED	Yes	Fixed	5.72	0	0	15 November 2012	5 000	5 00
Municipality sub-total										20 000	10 06
Entities										-	-
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									20 000	10 06

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
2. List investments in expiry date order

MP302 Msukaligwa - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Long-Term Loans (annuity/reducing balance)		17	15	-	11	11	11	8	8	-
Long-Term Loans (non-annuity)		-	-	-	2 000	2 000	2 000	2 000	2 000	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		7 892	5 315	-	200	200	200	2 106	2 209	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	7 909	5 330	-	2 211	2 211	2 211	4 114	4 217	-
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	7 909	5 330	-	2 211	2 211	2 211	4 114	4 217	-

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	2 000	2 000	2 000	2 106	2 209
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	2 000	2 000	2 000	2 106	2 209
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	2 000	2 000	2 000	2 106	2 209

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

MP302 Msukaligwa - Supporting Table SA18 Transfers and grant receipts

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		69 162	86 102	93 264	110 532	110 532	110 532	114 617	119 796	123 309
Local Government Equitable Share		67 164	82 968	88 975	105 157	105 157	105 157	108 953	114 918	118 221
Rsc Levy Replacement		(9)	-	-	-	-	-	-	-	-
Finance Management		1 000	1 000	1 250	1 500	1 500	1 500	1 550	1 600	1 650
Municipal Systems Improvement		735	750	790	800	800	800	890	934	967
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Epwp Incentive		-	-	585	1 056	1 056	1 056	1 000	-	-
5% Of Mig		271	1 384	1 664	2 019	2 019	2 019	2 224	2 344	2 471
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	69 162	86 102	93 264	110 532	110 532	110 532	114 617	119 796	123 309
Capital Transfers and Grants										
National Government:		36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
Current Year Receipts		36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Current Year Receipts		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	36 425	20 462	-	44 058	44 058	44 058	45 563	44 903	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		105 586	106 564	93 264	154 590	154 590	154 590	160 180	164 699	123 309

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation

2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)

3. Replacement of RSC levies

4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

5. Total transfers and grants must reconcile to Budgeted Cash Flows

6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

MP302 Msukaligwa - Supporting Table SA19 Expenditure on transfers and grant programme

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers/grants		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		-	-	-	-	-	-	-	-	-
Capital expenditure of Transfers and Grants										
National Government:		23 290	20 136	46 153	44 058	49 230	49 230	66 881	80 701	52 627
Municipal Infrastructure Grant (Mig)		23 290	20 136	46 153	44 058	49 230	49 230	66 881	80 701	52 627
Provincial Government:		358	328	30	-	-	-	-	-	-
Housing And Local Government		358	328	30	-	-	-	-	-	-
Other Departments		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		23 648	20 463	46 183	44 058	49 230	49 230	66 881	80 701	52 621
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		23 648	20 463	46 183	44 058	49 230	49 230	66 881	80 701	52 621

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

MP302 Msukaligwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		69 538	88 154	–	107 457	107 457	107 457	115 286	126 083	–
Conditions met - transferred to revenue		69 538	88 154	–	107 457	107 457	107 457	115 286	126 083	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		69 538	88 154	–	107 457	107 457	107 457	115 286	126 083	–
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		8 761	7 793	10 388	–	10 388	10 388	–	–	–
Current year receipts		36 425	20 462	–	44 058	44 058	44 058	45 563	44 903	–
Conditions met - transferred to revenue		37 393	10 452	10 388	44 058	54 446	54 446	45 563	44 903	–
Conditions still to be met - transferred to liabilities		7 793	17 803	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	1	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	1	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		37 393	10 453	10 388	44 058	54 446	54 446	45 563	44 903	–
Total capital transfers and grants - CTBM	2	7 793	17 803	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		106 931	98 607	10 388	151 515	161 903	161 903	160 849	170 986	–
TOTAL TRANSFERS AND GRANTS - CTBM		7 793	17 803	–	–	–	–	–	–	–

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

2. CTBM = conditions to be met

3. National Treasury database will require this reconciliation for each transfer/grant

MP302 Msukaligwa - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16
<u>Cash Transfers to other municipalities</u>											
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u>											
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u>											
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Groups of individuals</u>											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other municipalities</u>											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Entities/Other External Mechanisms</u>											
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other Organs of State</u>											
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Grants to Organisations</u>											
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
<u>Groups of individuals</u>											
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
<u>References</u>											

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
5. Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

MP302 Meukaligwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		7 042	7 130	8 538	9 168	9 168	9 168	9 854	10 127	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	334	472	514	514	514	541	567	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		7 042	7 484	9 010	9 682	9 682	9 682	10 195	10 694	-
% Increase	4		6.0%	20.7%	7.5%	-	-	5.3%	4.9%	(100.0%)
Senior Managers of the Municipality	2									
Basic Salaries and Wages		-	2 802	2 465	5 160	5 160	5 160	5 433	5 699	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	2 802	2 465	5 160	5 160	5 160	5 433	5 699	-
% Increase	4	-	(12.0%)	109.3%	-	-	-	5.3%	4.9%	(100.0%)
Other Municipal Staff										
Basic Salaries and Wages		-	68 927	70 091	83 864	90 664	90 664	87 929	92 001	-
Pension and UIF Contributions		-	12 071	14 431	17 023	17 023	17 023	17 925	18 756	-
Medical Aid Contributions		-	5 834	6 841	8 192	8 192	8 192	8 627	9 049	-
Overtime		-	9 041	9 390	7 704	7 704	7 704	8 112	8 443	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	4 897	3 681	3 208	3 208	3 208	3 378	3 544	-
Cellphone Allowance	3	-	74	67	90	90	90	95	96	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	5 348	6 048	6 048	6 048	6 358	6 676	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		-	100 844	109 847	125 929	132 929	132 929	132 434	138 595	-
% Increase	4	-	8.9%	14.6%	5.6%	-	-	(0.4%)	4.7%	(100.0%)
Total Parent Municipality		7 042	111 110	121 323	140 770	147 770	147 770	148 062	154 988	-
			1 477.8%	9.2%	16.0%	5.0%	-	0.2%	4.7%	(100.0%)
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% Increase	4	-	-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% Increase	4	-	-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		7 042	111 110	121 323	140 770	147 770	147 770	148 062	154 988	-
% Increase	4	4	1 477.8%	9.2%	16.0%	5.0%	-	0.2%	4.7%	(100.0%)
TOTAL MANAGERS AND STAFF	5,7	-	103 845	112 313	131 089	138 089	138 089	137 887	144 294	-

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved.

2. s57 of the Systems Act

3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance

4. BA, CB, DC, EC, FC, GD, HD, ID

5. Must agree to the sub-total appearing on Table A1 (Employee costs)

6. Includes pension payments and employer contributions to medical aid

7. Correct as at 30 June

Column Definitions:

A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited

D. The original budget approved by council for the budget year.

E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.

F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.

G. The amount to be appropriated for the budget year.

H and I. The indicative projection

MP302 Msukaligwa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.		Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.					2.
Councillors	3								
Speaker	4	1		489 516	-	18 840	-		508 356
Chief Whip									-
Executive Mayor		1		611 895	-	18 840	-		630 735
Deputy Executive Mayor									-
Executive Committee		3		1 478 643	-	60 703	-		1 539 346
Total for all other councillors		33		6 506 052	-	412 544	-		6 918 596
Total Councillors	8	38		9 086 106	-	510 927			9 597 033
Senior Managers of the Municipality	5								
Municipal Manager (MM)		1		874 512	-	-	131 177		1 005 689
Chief Finance Officer		1		707 552	-	-	106 133		813 685
<i>List of each official with packages >= senior manager</i>									
Total Senior Managers of the Municipality	8,10	2		1 582 064	-	-	237 310		1 819 374
A Heading for Each Entity	6,7								
List each member of board by designation									
Total for municipal entities	8,10	-		-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	40		10 668 170	-	510 927	237 310		11 416 407

References

1. Pension and medical aid
 2. Total package must equal the total cost to the municipality
 3. List each political office bearer by designation. Provide a total for all other councillors
 4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
 5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
 6. List each entity where municipality has an interest and state percentage ownership and control
 7. List each senior manager reporting to the CEO of an Entity by designation
 8. Must reconcile to relevant section of Table SA24
 9. Must reconcile to totals shown for the budget year of Table SA22
 10. Correct as at 30 June

MP302 Msukaligwa - Supporting Table SA24 Summary of personnel numbers

Number	Ref	2011/12			Current Year 2012/13			Budget Year 2013/14			
		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)	4		38	-	-	38	38	-	38	-	-
Board Members of municipal entities	5										
Municipal employees											
Municipal Manager and Senior Managers	3	6	-	3	6	-	6	6	-	-	
Other Managers	7	28	28	-	2	2	-	2	2	-	
Professionals		622	617	56	1 110	892	56	1 109	892	5	
Finance		84	79	5	123	83	5	123	83	-	
Spatial/town planning		-	-	-	1	-	-	-	-	-	
Information Technology		3	3	-	3	3	-	3	3	-	
Roads		59	59	3	84	65	3	84	65	-	
Electricity		35	35	1	71	38	1	71	38	-	
Water		38	38	-	73	43	-	73	43	-	
Sanitation		39	39	-	108	44	-	108	44	-	
Refuse		83	83	14	128	97	14	128	97	1	
Other		281	281	33	519	519	33	519	519	3	
Technicians		12	12	-	12	12	-	12	12	-	
Finance		-	-	-	-	-	-	-	-	-	
Spatial/town planning		-	-	-	-	-	-	-	-	-	
Information Technology		-	-	-	-	-	-	-	-	-	
Roads		-	-	-	-	-	-	-	-	-	
Electricity		12	12	-	12	12	-	12	12	-	
Water		-	-	-	-	-	-	-	-	-	
Sanitation		-	-	-	-	-	-	-	-	-	
Refuse		-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Clerks (Clerical and administrative)		136	132	4	136	132	4	142	137	-	
Service and sales workers		54	54	-	58	58	-	58	58	-	
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-	
Craft and related trades		32	31	1	32	31	1	32	31	-	
Plant and Machine Operators		77	76	1	77	76	1	77	76	-	
Elementary Occupations		219	192	27	222	192	30	222	192	3	
TOTAL PERSONNEL NUMBERS	9	1 224	1 142	92	1 693	1 433	98	1 698	1 400	9	
% increase					38.3%	25.5%	6.5%	0.3%	(2.3%)	1.0%	
Total municipal employees headcount	6, 10	651	592	59	-	-	-	-	-	-	
Finance personnel headcount	8, 10	73	70	3	-	-	-	-	-	-	
Human Resources personnel headcount	8, 10										

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

MP302 Msukaligwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Revenue By Source																		
R thousand																		
Property rates															59 871	63 104	66 511	
Property rates - penalties & collection charges															-	-	-	
Service charges - electricity revenue															168 609	177 713	187 310	
Service charges - water revenue															23 549	24 821	26 161	
Service charges - sanitation revenue															22 606	23 827	25 114	
Service charges - refuse revenue															20 347	21 445	22 603	
Service charges - other															6 320	6 320	7 021	
Rental of facilities and equipment															1 985	1 985	2 204	
Interest earned - external investments															500	500	555	
Interest earned - outstanding debtors															10 373	10 373	11 523	
Dividends received															-	-	-	
Fines															990	990	1 044	
Licences and permits															2 410	2 410	2 677	
Agency services															4 844	4 844	5 105	
Transfers recognised - operational															114 617	119 796	123 309	
Other revenue															26 098	27 495	28 980	
Gains on disposal of PPE															10 075	10 075	10 075	
Total Revenue (excluding capital transfers and contribution)															473 193	473 193	500 632	
Expenditure By Type																520 525	520 525	
Employee related costs															143 264	143 264	151 995	
Remuneration of councillors															10 649	10 649	11 393	
Debt impairment															12 112	12 112	13 455	
Depreciation & asset impairment															5 481	5 481	5 053	
Finance charges															15 158	15 158	16 839	
Bulk purchases															144 278	152 068	160 280	
Other materials															90	90	100	
Contracted services															29 088	29 088	31 204	
Transfers and grants															46 661	46 661	51 743	
Other expenditure															63 972	65 906	69 406	
Loss on disposal of PPE															-	-	-	
Total Expenditure															-	-	-	
Surplus/(Deficit)															2 441	2 441	2 233	
Transfers recognised - capital															-	-	-	
Contributions recognised - capital															82 956	81 815	91 245	
Contributed assets															15 984	15 984	42 500	
Surplus/(Deficit) after capital transfers & contributions															-	-	-	
Taxation															-	-	-	
Attributable to minorities															-	-	-	
Share of surplus/ (deficit) of associate															-	-	-	
Surplus/(Deficit)		1													-	101 381	114 875	
References																	133 967	

1. Surplus /Deficit must reconcile with Budgeted Financial Performance

MPP02 Msukaligwa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Revenue by Vote														66 579	70 175	73 964	
Vote 01 - Summary Department Town Engineer														178 425	188 060	198 215	
Vote 02 - Summary Electricity														8 383	8 836	9 313	
Vote 03 - Summary Department Public Safety														11 241	11 303	11 369	
Vote 04 - Summary Department Community And Health														22 378	23 587	24 860	
Vote 05 - Summary Department Corporate Services														112 431	120 972	120 961	
Vote 06 - Summary Council General														73 755	77 700	81 842	
Vote 07 - Summary Department Finance														-	-	-	
Total Revenue by Vote		-	-	-	-	-	-	-	-	-	-	-	-	473 193	500 932	520 525	
Expenditure by Vote to be appropriated														92 987	92 987	98 018	
Vote 01 - Summary Department Town Engineer														185 768	194 280	204 765	
Vote 02 - Summary Electricity														38 629	38 629	40 715	
Vote 03 - Summary Department Public Safety														22 208	23 407	24 623	
Vote 04 - Summary Department Community And Health														66 584	69 263	72 995	
Vote 05 - Summary Department Corporate Services														29 811	31 285	33 247	
Vote 06 - Summary Council General														34 765	36 605	38 528	
Vote 07 - Summary Department Finance														-	-	-	
Total Expenditure by Vote		-	-	-	-	-	-	-	-	-	-	-	-	470 752	493 572	520 302	
Surplus/(Deficit) before assoc.		-	-	-	-	-	-	-	-	-	-	-	-	2 441	2 441	7 060	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	-	-	-	-	-	-	-	-	-	-	-	-	2 441	2 441	7 060	223

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

MP302 Msukaligwa - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

R thousand	Description	Ref	Budget Year 2013/14						Medium Term Revenue and Expenditure Framework									
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Revenue - Standard			-	-	-	-	-	-	-	-	-	-	-	-	186 788	166 788	199 319	203 484
Governance and administration															111 025	119 502	119 412	
Executive and council															73 755	77 700	81 842	
Budget and treasury office															2 008	2 117	2 231	
Corporate services															19 689	20 166	20 732	
Community and public safety			-	-	-	-	-	-	-	-	-	-	-	-	403	425	448	
Community and social services															209	219	231	
Sport and recreation															8 427	8 882	9 362	
Public safety															10 629	10 659	10 691	
Housing															-	-	-	
Health															3 631	3 631	3 815	4 021
Economic and environmental services			-	-	-	-	-	-	-	-	-	-	-	-	1 406	1 406	1 550	
Planning and development															2 225	2 225	2 345	2 472
Road transport															-	-	-	
Environmental protection															262 894	262 894	277 090	282 053
Trading services			-	-	-	-	-	-	-	-	-	-	-	-	178 425	178 425	188 060	198 215
Electricity															41 432	41 432	43 669	46 028
Water															22 667	22 667	23 891	25 181
Waste water management															20 370	20 370	21 470	22 630
Waste management															211	211	223	235
Other			-	-	-	-	-	-	-	-	-	-	-	-	473 193	473 193	500 632	520 525
Total Revenue - Standard			-	-	-	-	-	-	-	-	-	-	-	-	95 517	95 517	99 585	105 173
Expenditure - Standard			-	-	-	-	-	-	-	-	-	-	-	-	24 083	25 249	26 885	
Governance and administration			-	-	-	-	-	-	-	-	-	-	-	-	36 600	38 538	40 566	
Executive and council															34 834	35 798	37 723	
Budget and treasury office															76 186	80 376	84 589	
Corporate services															6 691	6 691	7 052	7 386
Community and public safety			-	-	-	-	-	-	-	-	-	-	-	-	12 752	12 752	13 441	14 165
Community and social services															53 908	53 908	56 895	59 887
Sport and recreation															2 764	2 764	2 914	3 071
Public safety															71	71	75	79
Housing															-	-	-	
Health															10 647	10 647	11 156	11 159
Economic and environmental services			-	-	-	-	-	-	-	-	-	-	-	-	3 877	3 877	4 096	4 307
Planning and development															6 770	6 770	7 070	7 452
Road transport															-	-	-	
Environmental protection															268 345	268 345	302 398	318 719
Trading services			-	-	-	-	-	-	-	-	-	-	-	-	185 768	185 768	194 280	204 765
Electricity															47 731	47 731	50 399	53 026
Water															23 165	23 165	24 416	25 735
Waste water management															31 680	31 680	33 390	35 193
Waste management															57	57	59	62
Other			-	-	-	-	-	-	-	-	-	-	-	-	470 752	470 752	493 572	520 302
Total Expenditure - Standard			-	-	-	-	-	-	-	-	-	-	-	-	1	1	2 441	2 441
Surplus/(Deficit) before assoc.			-	-	-	-	-	-	-	-	-	-	-	-	1	1	2 441	2 441
Share of surplus/(deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)			1	1	-	-	-	-	-	-	-	-	-	-	2 441	2 441	7 060	223

References

1. Surplus /Deficit must reconcile with Budgeted Financial Performance

MP302 Msukaligwa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	
Multi-year expenditure to be appropriated															
Vote 01 - Summary Department Town Engineer		1													
Vote 02 - Summary Electricity															
Vote 03 - Summary Department Public Safety															
Vote 04 - Summary Department Community And Health															
Vote 05 - Summary Department Corporate Services															
Vote 06 - Summary Council General															
Vote 07 - Summary Department Finance															
Capital multi-year expenditure sub-total		2	-	-	-	-	-	-	-	-	-	-	-	-	
Single-year expenditure to be appropriated															
Vote 01 - Summary Department Town Engineer															
Vote 02 - Summary Electricity															
Vote 03 - Summary Department Public Safety															
Vote 04 - Summary Department Community And Health															
Vote 05 - Summary Department Corporate Services															
Vote 06 - Summary Council General															
Vote 07 - Summary Department Finance															
Capital single-year expenditure sub-total		2	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure		2	-	-	-	-	-	-	-	-	-	-	-	-	

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

MP302 Msukaligwa - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand																
Capital Expenditure - Standard	1	-	-	-	-	-	-	-	-	-	-	-	-	2 400	3 400	4 000
Governance and administration														2 200	2 700	3 000
Executive and council														-	-	-
Budget and treasury office														200	200	1 000
Corporate services														41 008	53 656	17 394
Community and public safety														3 000	3 162	3 335
Community and social services														858	904	955
Sport and recreation														37 150	49 037	13 105
Public safety														-	552	-
Housing														-	-	-
Health														-	-	-
Economic and environmental services														-	-	-
Planning and development														-	-	-
Road transport														-	-	-
Environmental protection														-	-	-
Trading services														61 423	61 697	35 234
Electricity														10 100	10 100	5 555
Water														43 018	41 398	29 678
Waste water management														8 305	8 305	-
Waste management														-	-	-
Other														-	-	-
Total Capital Expenditure - Standard	2	-	-	-	-	-	-	-	-	-	-	-	-	104 831	118 753	56 627

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

MP302 Msukuligwa - Supporting Table S30 Budgeted monthly cash flow

MONTHLY CASH FLOWS		Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts By Source																
Property rates														59 871	63 104	66 511
Property rates - penalties & collection charges														—		
Service charges - electricity revenue														168 609	177 713	187 310
Service charges - water revenue														23 549	24 821	26 161
Service charges - sanitation revenue														22 606	23 827	25 114
Service charges - refuse revenue														20 347	21 445	22 603
Service charges - other														6 320	10 116	7 021
Rental of facilities and equipment														1 985	2 091	2 204
Interest earned - external investments														500	527	555
Interest earned - outstanding debtors														—		
Dividends received														10 373	10 333	11 523
Fines														—		
Licences and permits														990	1 044	1 100
Agency services														2 410	2 540	2 677
Transfer receipts - operational														4 844	4 844	5 381
Other revenue														114 617	119 796	123 309
Cash Receipts by Source		—	—	—	—	—	—	—	—	—	—	—	—	463 118	490 557	510 450
Other Cash Flows by Source														—	—	—
Transfer receipts - capital														98 940	98 940	107 815
Contributions recognised - capital & Contributed assets														(6)	—	133 745
Proceeds on disposal of PPE														167	167	—
Short term loans														—	—	—
Borrowing long term/refinancing														—	—	—
Increase (decrease) in consumer deposits														63	63	—
Decrease (increase) in non-current debtors														—	—	—
Decrease (increase) in other non-current receivables														—	—	—
Decrease (increase) in non-current investments														—	—	—
Total Cash Receipts by Source		—	6	275	—	452	518	—	—	229	229	229	229	562 932	564 872	601 252
Cash Payments by Type																
Employee related costs														143 264	143 264	151 995
Remuneration of councillors														10 649	10 649	11 830
Finance charges														15 158	15 158	16 839
Bulk purchases - Electricity														139 103	139 103	154 532
Bulk purchases - Water & Sewer														5 174	5 174	5 748
Other materials														90	90	100
Contracted services														29 088	29 088	31 204
Transfers and grants - other municipalities														—		
Transfers and grants - other														63 972	63 972	69 406
Other expenditure														—	—	—
Cash Payments by Type		—	—	—	—	—	—	—	—	—	—	—	—	406 498	406 498	426 870
Other Cash Flows/Payments by Type																
Capital assets														5 514	5 514	66 422
Repayment of borrowing														267	267	3 739
Other Cash Flows/Payments														—	—	—
Total Cash Payments by Type		—	—	169	—	860	1 045	—	—	5 782	5 782	5 782	5 782	455 867	475 286	497 030
NET INCREASE/(DECREASE) IN CASH HELD		—	6	106	—	(408)	(527)	—	—	(5 552)	(5 552)	(5 552)	(5 552)	107 055	89 586	104 221
Cash/cash equivalents at the month/year begin:		—	6	112	—	(236)	(236)	—	—	(823)	(823)	(823)	(823)	(11 927)	(17 479)	194 143
Cash/cash equivalents at the month/year end:		—	6	112	—	(236)	(236)	—	—	(823)	(823)	(823)	(823)	(11 927)	(17 479)	193 807
														89 586	89 586	193 950

MP302 Msukaligwa - NOT REQUIRED - municipality does not have entities

Description R million	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year + 2015/16
Financial Performance										
Property rates		37	42							
Service charges		126	154							
Investment revenue		1	1							
Transfers recognised - operational		109	121							
Other own revenue		32	21							
Contributions recognised - capital & contributed assets		-	-							
Total Revenue (excluding capital transfers and contributions)		304	340	-	-	-	-	-	-	-
Employee costs		92	103							
Remuneration of Board Members		7	8							
Depreciation & asset impairment		20	28							
Finance charges		1	1							
Materials and bulk purchases		67	92							
Transfers and grants		22	25							
Other expenditure		75	78							
Total Expenditure		283	334	-	-	-	-	-	-	-
Surplus/(Deficit)		21	6	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - operational		682	84							
Public contributions & donations		-	-							
Borrowing		-	-							
Internally generated funds		-	-							
Total sources		682	84	-	-	-	-	-	-	-
Financial position										
Total current assets		79	109							
Total non current assets		245	250							
Total current liabilities		54	79							
Total non current liabilities		20	24							
Equity		-	-							
Cash flows										
Net cash from (used) operating		52	20							
Net cash from (used) investing		(48)	(33)							
Net cash from (used) financing		(2)	(2)							
Cash/cash equivalents at the year end		1	(14)							

MP302 Msukaligwa - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
					R thousand

References

1. Total agreement period from commencement until end
2. Annual value

MP302 Msukaligwa - Supporting Table SA33 Contracts having future budgetary implications

R thousand	Description	Ref	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
					Original Budget	Budget Year 2013/14	Budget Year 2014/15								
Parent Municipality:															
Revenue Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Jen</i>															
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:															
Revenue Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>N/A</i>															
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>N/A</i>															
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>N/A</i>															
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	-
References															

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s:33)

MP302 Msukaligwa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description R thousand	Ref 1	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		27 856	31 339	50 901	74 289	81 582	81 582	98 573	110 734	48 341
Infrastructure - Road transport		1 574	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Roads, Pavements & Bridges		1 380	8 817	21 392	39 614	49 012	49 012	37 150	49 037	13 109
Storm water		194	-	-	-	-	-	-	-	-
Infrastructure - Electricity		4 361	3 933	8 324	20 390	18 570	18 570	10 100	7 370	5 555
Generation		322	1 618	6 485	15 390	16 070	16 070	5 100	2 100	-
Transmission & Reticulation		4 039	2 316	1 839	5 000	2 500	2 500	5 000	5 270	5 555
Infrastructure - Water		12 781	9 958	16 040	14 265	12 000	12 000	38 518	36 655	24 678
Dams & Reservoirs		-	-	3 923	-	2 000	2 000	-	-	-
Water purification		5 655	5 726	3 131	-	-	-	4 018	4 007	7 676
Reticulation		7 125	4 231	8 986	14 265	10 000	10 000	34 500	32 648	17 003
Infrastructure - Sanitation		8 940	8 631	5 145	-	2 000	2 000	12 805	17 672	4 999
Reticulation		5 316	3 891	3 361	-	2 000	2 000	12 805	8 227	4 999
Sewerage purification		3 624	4 739	1 784	-	-	-	-	9 445	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas										
Other	3	-	-	-	-	-	-	-	-	-
Community		4 062	2 249	149	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		424	-	-	-	-	-	-	-	-
Security and policing		-	99	-	-	-	-	-	-	-
Buses	7									
Clinics										
Museums & Art Galleries										
Cemetaries		2 552	1 940	151	-	-	-	-	-	-
Social rental housing	8									
Other		1 086	210	(1)	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		4 378	7 535	5 490	4 000	2 794	2 794	2 400	3 952	4 000
General vehicles		1 451	5 354	3 892	2 000	2 000	2 000	2 000	2 000	2 000
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		1 581	565	945	1 000	99	99	200	700	1 000
Furniture and other office equipment		375	992	19	-	170	170	-	-	-
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or inventory)										
Other		971	624	158	500	525	525	200	700	1 000
Agricultural assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Total Capital Expenditure on new assets	1	38 096	41 122	56 540	78 289	84 376	84 376	100 973	114 686	52 341
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

References

1. Total Capital Expenditure on new assets (SA34e) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class

MP302 Msukaligwa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

<i>Renewal of Existing Assets as % of total capex</i>		3.6%	0.7%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		6.7%	1.0%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

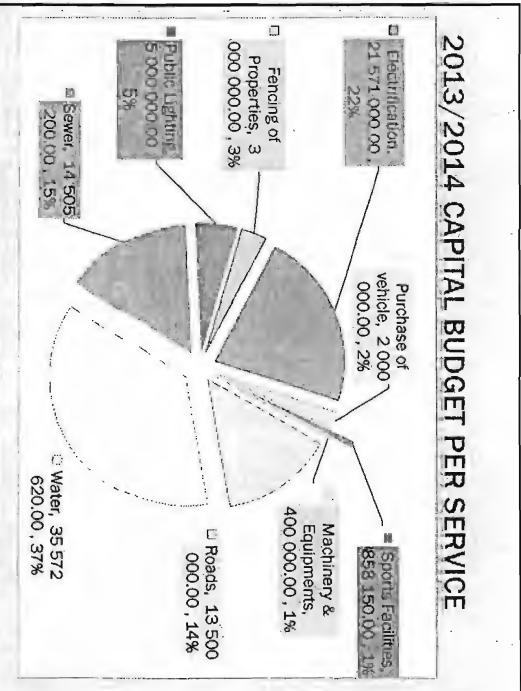
1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the top structure being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

check balance	-343 868	-	-	-3 593 439	-3 593 439	-3 593 439	-3 858 150	-4 066 490	-4 286 081
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2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R 42,256,950	44.36%
GERT SUBANDE DISTRICT MUNICIPALITY (GSDM) NSUKALIWA'S OWN FUNDS (Office and other Equipments)	R 14,029,020 R 400,000	14.73% 0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 15,000,000 R 2,000,000	15.75 2.10%
TOTAL CAPITAL FOR 2013/2014	R 95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE



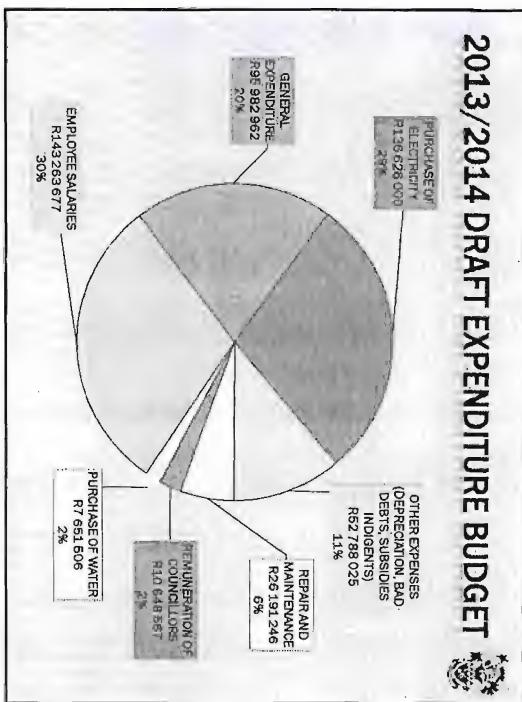
2013/2014 CAPITAL BUDGET PER SERVICE

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
ROADS			R 13,500,000	14.00%
WATER			R 35,572,620	36.90%
SEWER			R 14,505,200	15.05%
PUBLIC LIGHTING			R 5,000,000	5.19%
FENCING			R 3,000,000	3.14%
ELECTRICITY			R 21,571,000	22.37%
PURCHASE OF VEHICLES			R 2,000,000	2.07%
SPORTS FACILITIES			R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT			R 400,000	0.41%
TOTAL CAPITAL FOR 2013/2014	R 96,406,970		100%	

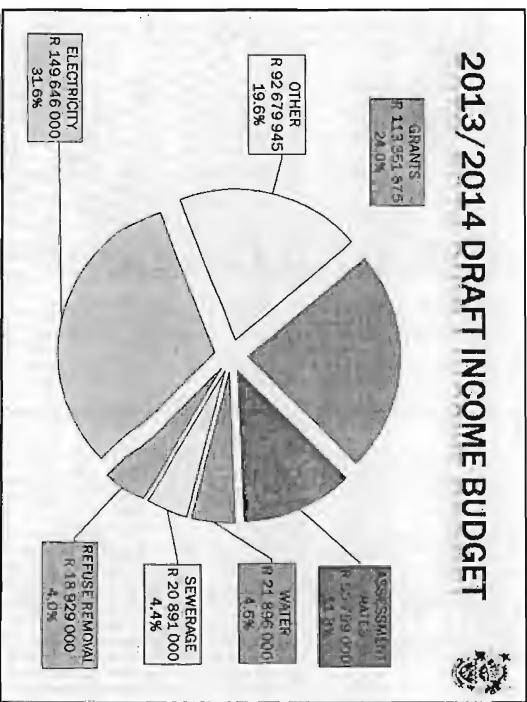
2013/2014 DRAFT EXPENDITURE BUDGET

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R 422,062,265		R 473,151,983	100%

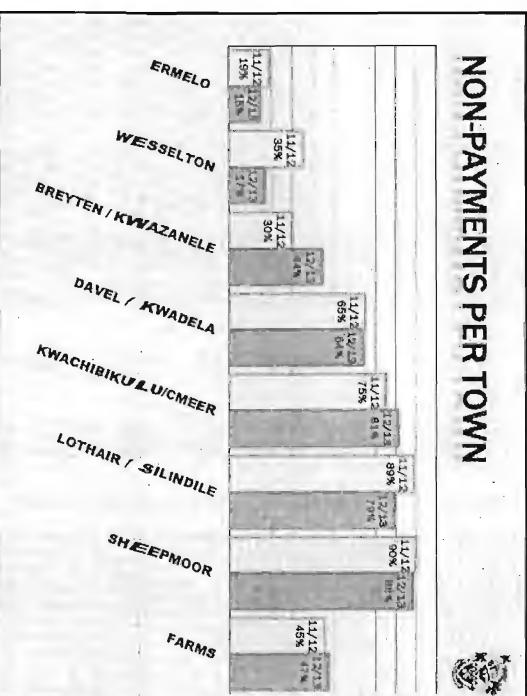
2013/2014 DRAFT EXPENDITURE BUDGET



2013/2014 DRAFT INCOME BUDGET



NON-PAYMENTS PER TOWN



INCOME	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%
SEWERAGE	R 17,387,000	20.29%	R 20,891,000	4.4%
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

**APPROVED INDIGENT BENEFICIARIES
PEB TOWN**

12/1
14

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

Asset Management policy

Investment of surplus funds policy

REVIEWED FINANCIAL POLICIES (CONTINUED)

```
graph TD; A[Supply chain management policy] --> B[Tariffs policy]; A --> C[Developed Policies]; C --> D[Petty cash policy]; C --> E[Enterprise Risk Management Policy]; C --> F[Fraud Prevention Plan]; C --> G[Insurance Policy]; C --> H[Anti- Corruption Strategy]
```

PROPOSED TARIFFS INCREASE



- FREE BASIC SERVICES - Provision were made to subsidise 11,200 Indigents for the total amount of R 17,353,936.
 - To keep the service delivery at the same level,council need to increase tariffs in line with the AVERAGE COST INCREASES (ACI) and to accommodate the increases as described by NERSA on electricity.
 - When determining the tariffs, the following was taken into account:
 - Cost of bulk purchases for water and electricity
 - Distribution costs
 - Distribution losses for water and electricity
 - Depreciation expenses
 - Maintenance of infrastructure and other fixed assets
 - TARIFF INCREASES, taken into account for the draft budget as from 1 July 2013 are proposed as follows:
 - Electricity tariff based on 8% from Eskom, to be approved by NERSA
 - Water tariffs with 10%
 - Separate tariffs with 10%
 - Refuse removal with 10%
 - Assessment rates b.s.%;
 - ~~SAFETY INCREASE OF 6.3% was proposed to be in the draft budget according to a letter from my~~

SMALL CONSUMERS ACCOUNT

SERVICE	PRESIDENTIAL ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 5 Kilolitres) (First 6 Kilolitres for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value = R30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESIDENTIAL ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kilolitres) (First 6 Kilolitres for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value R 450,000)	R 199.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan.

Short, medium and long term strategies were developed to address the issues identified in the situational analysis

FINANCIAL RECOVERY PLAN STRATEGIES

- Strategy One: Restructure the Budget
 - Strategy Two: Revise Tariff Policies and Tariff Increases
 - Strategy Three: Revenue Enhancement
 - Strategy Four: Financial Administration
 - Strategy Five: Cash Management Strategy
 - Strategy Six: Human Resource Management
- NB: elaborative information on plan is available for inspection at municipal offices and website

THANK YOU

EXECUTIVE MAYOR CLLR. J.S. BONGWE

OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

Contact no. for Msukaligwa LM
017 801 3400
017 801 3500
WWW.MSUKALIGWA.GOV.ZA



AGENDA FOR THE MEETING



- * **Opening**
- * **Welcome and Introduction**
- * **Purpose of the meeting**
- * **Presentation of draft budget**
- * **Comments from community**
- * **The way forward**
- * **Closure**



COMMUNITY BUDGET CONSULTATION 2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE

SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE – EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

SUMMARY OF BUDGET

LIABILITIES

LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT
 LOAN: R 2 000 000 - VEHICLE PURCHASES
 OVERDRAFT: R6 000 000

1

2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

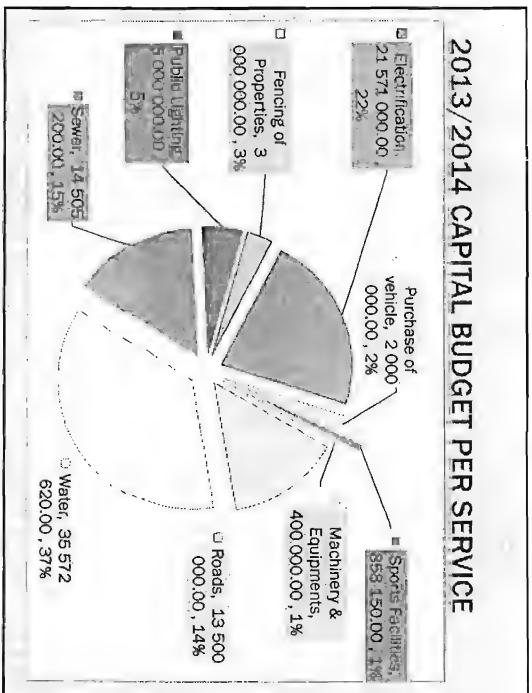
FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R 42,256,950	44.36%
GERT SIBANDE DISTRICT MUNICIPALITY (GSDM), MSUKALIGWA'S OWN FUNDS (Office and other Equipments)	R 14,029,020	14.73%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 2,000,000	2.10%
TOTAL CAPITAL FOR 2013/2014	R 95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE

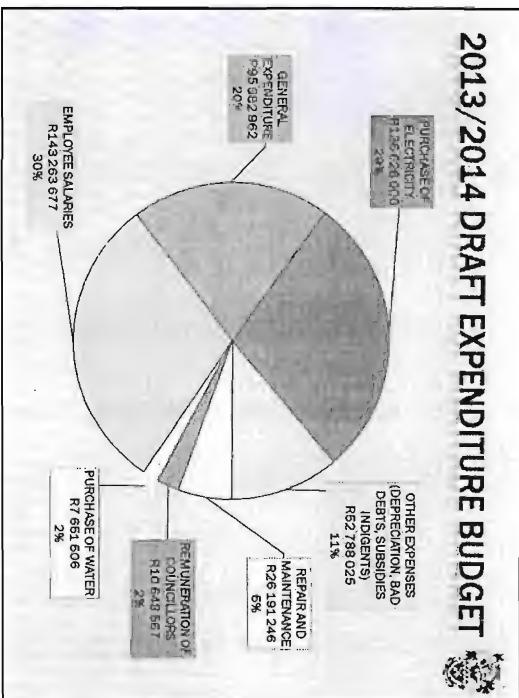
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ELECTRICITY	R 21,571,000	22.37%
PURCHASE OF VEHICLES	R 2,000,000	2.07%
SPORTS FACILITIES	R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41%
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%

2013/2014 DRAFT EXPENDITURE BUDGET

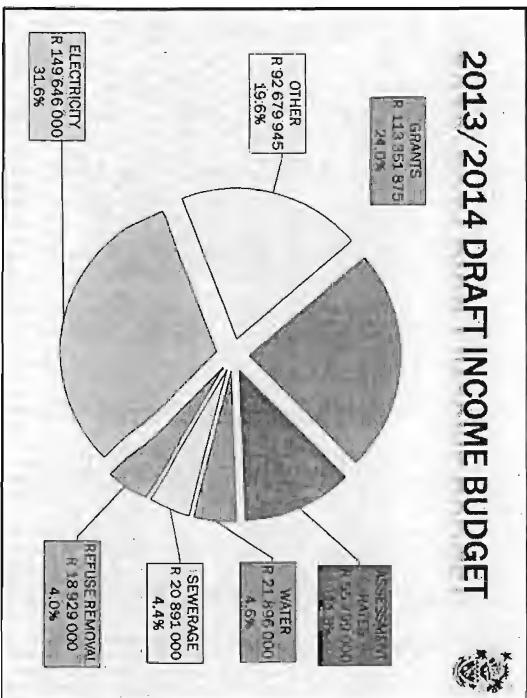
EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Payments)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R 422,002,285		R 473,151,983	100%



2013/2014 DRAFT EXPENDITURE BUDGET



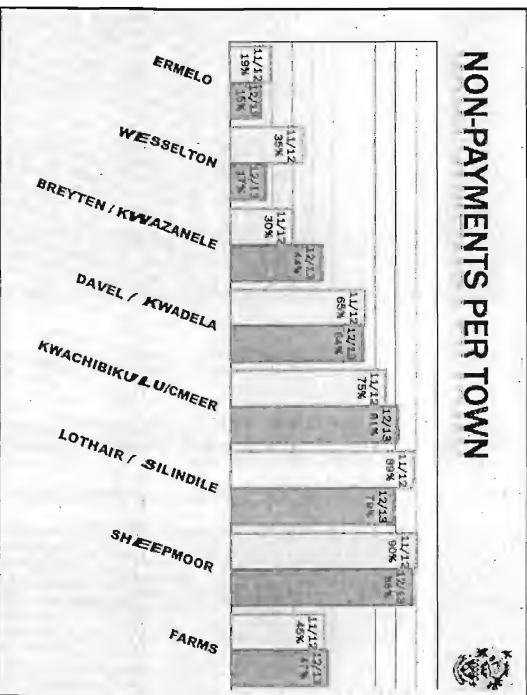
2013/2014 DRAFT INCOME BUDGET



2013/2014 DRAFT INCOME BUDGET

2013/2014 DRAFT INCOME BUDGET					
INCOME	BUDGET 2012/2013	% INCRE ASE	DRAFT BUDGET 2013/2014	% OF DRAFT BUDGET	% OF TOTAL
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%	
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%	
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%	
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%	
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%	
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%	
OTHER INCOME	R 917,783,710	0.98%	R 92,679,945	27.9%	
TOTAL INCOME	R 422,018,736		R 473,192,820		
TOTAL EXPENDITURE	R 422,002,265		R 473,151,983		
SURPLUS	R 16,471		R 40,837		

NON-PAYMENTS PER TOWN



**APPROVED INDIGENT BENEFICIARIES
PER TOWN**

12/13

PROPOSED TARIFFS INCREASE

FREE BASIC SERVICES - Provision were made to subsidise 114,200 Indigents for the total amount of R 17 956 556.

To keep the service delivery at the same level council need to increase tariffs in line with the **AVERAGE COST INCREASES** (CPI) and to accommodate the increases as prescribed by NERSA on electricity.

When determining the tariffs, the following was taken into account:

- Cost of bulk purchases for water and electricity
- Distribution costs
- Distribution losses for water and electricity
- Depreciation expenses
- Maintenance of infrastructure and other fixed assets

TARIFF INCREASES taken into account for the draft budget as from 1 July 2013 are proposed as follows:

- Electricity tariffs based on S3; from Eskom, to be approved by NERSA
- Sewerage tariffs with 10%
- Refuse removal with 10%
- Assessment rates 5.6%

SARARY INCREASE OF 6.3% WAS INCORPORATED IN THE DRAFT BUDGET APPROVED 10 MAY 2013

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Free Basic and Indigent Management
 - Property rates Policy
 - Asset Management Policy
 - Investment of surplus funds policy

REVIEWED FINANCIAL POLICIES (CONTINUED)

Supply chain management policy

- Supply chain management policy
 - Tariffs policy
 - Petty cash policy
 - Developed Policies**
 - Enterprise Risk Management Policy
 - Fraud Prevention Plan
 - Insurance Policy
 - Anti-Corruption Strategy

SMALL CONSUMERS ACCOUNT

SERVICE	PRESIDENTIAL ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 5 Kiloliters) (First 6 Kiloliters for FREE) only for Indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic) Assessment Rates (Residential)(Value = R30,000)	R 59.86	R 64.65	R 4.79	8%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan.

Short, medium and long term strategies were developed to address the issues identified in the situational analysis

FINANCIAL RECOVERY PLAN STRATEGIES

- Strategy One: Restructure the Budget
- Strategy Two: Revise Tariff Policies and Tariff Increases
- Strategy Three: Revenue Enhancement
- Strategy Four: Financial Administration
- Strategy Five: Cash Management Strategy
- Strategy Six: Human Resource Management
- NB: elaborative information on plan is available for inspection at municipal offices and website

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESIDENTIAL ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kiloliters) (First 6 Kiloliters for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic) Assessment Rates (Residential)(Value R 450,000)	R 59.86	R 64.65	R 4.79	8%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

THANK YOU

EXECUTIVE MAYOR CLLR. J.S. BONGWE

OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

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AGENDA FOR THE MEETING



- * **Opening**
- * **Welcome and Introduction**
- * **Purpose of the meeting**
- * **Presentation of draft budget**
- * **Comments from community**
- * **The way forward**
- * **Closure**

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314



COMMUNITY BUDGET CONSULTATION

2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE

SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE - EXPENDITURE:	R 40,837
SURPLUS OR R40,837.00.	

SUMMARY OF BUDGET

LIABILITIES

LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT
LOAN: R 2 000 000 - VEHICLE PURCHASES
OVERDRAFT: R6 000 000

SURPLUS OF R40,837.00.

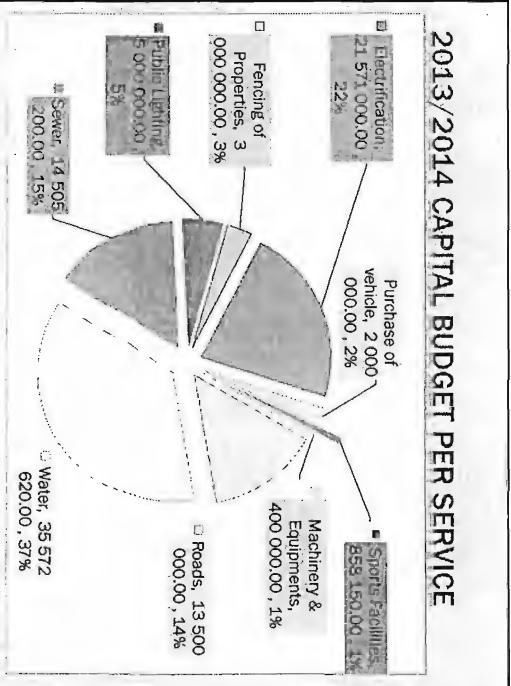
2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R 42,256,950	44.36%
GERT SIBANDE DISTRICT MUNICIPALITY (GSDM) MSUKALIGWA'S OWN FUNDS (Office and other Equipments)	R 14,029,020 R 400,000	14.73% 0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.65%
REGIONAL BULK CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 15,000,000 R 2,000,000	15.75 2.10%
TOTAL CAPITAL FOR 2013/2014	R 95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE

FUNDING FOR CAPITAL	AMOUNT (R)	%
ROADS	R 13,500,000	14.00%
WATER	R 35,572,620	36.90%
SEWER	R 14,505,200	15.05%
PUBLIC LIGHTING	R 5,000,000	5.19%
FENCING	R 3,000,000	3.11%
ELECTRICITY	R 21,571,000	22.37%
PURCHASE OF VEHICLES	R 2,000,000	2.07%
SPORTS FACILITIES	R 858,150	0.89%
MACHINERY AND OFFICE EQUIPMENT	R 400,000	0.41%
TOTAL CAPITAL FOR 2013/2014	R 96,406,970	100%

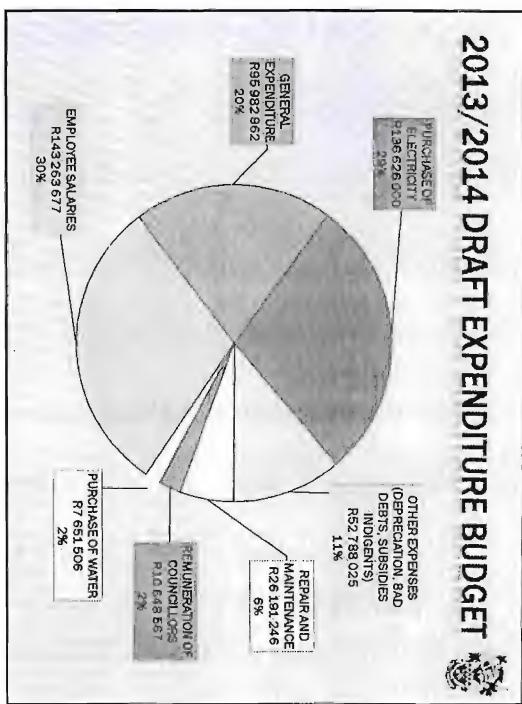
2013/2014 CAPITAL BUDGET PER SERVICE



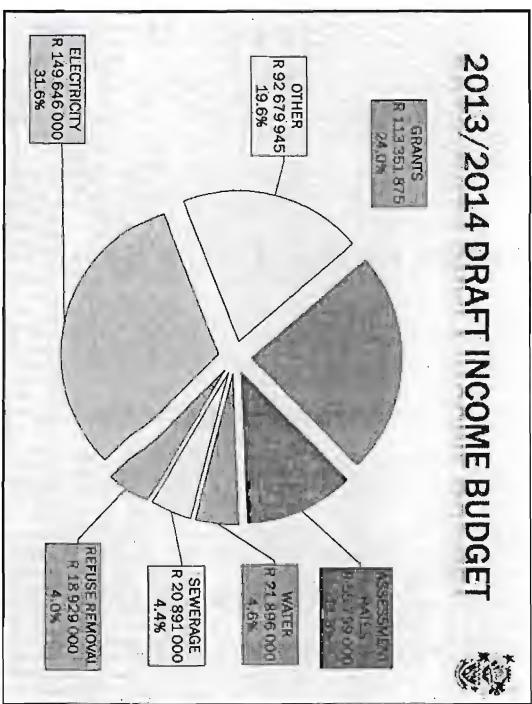
2013/2014 DRAFT EXPENDITURE BUDGET

EXPENDITURE	BUDGET 2012/2013	% INCREASE 2013/2014	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R 422,002,265		R 473,151,983	100%

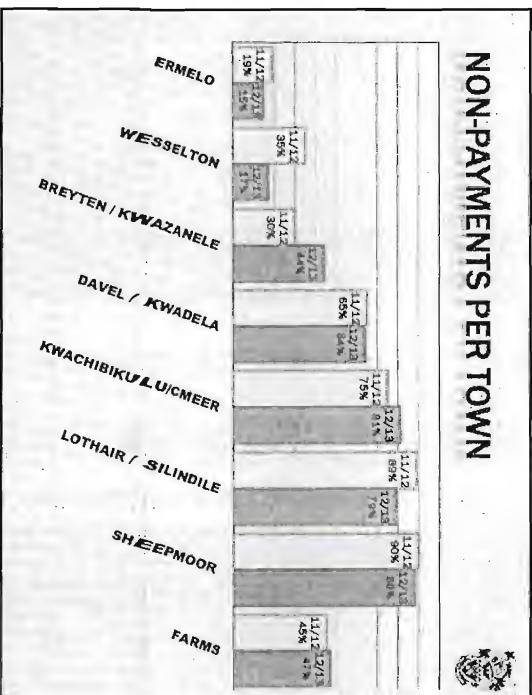
2013/2014 DRAFT EXPENDITURE BUDGET



2013/2014 DRAFT INCOME BUDGET



NON-PAYMENTS PER TOWN



INCOME	BUDGET 2012/2013	% INCRE ASE	DRAFT BUDGET 2013/2014	% OF TOTAL
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%
SEWERAGE	R 17,387,000	20.29%	R 20,891,000	4.4%
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%
OTHER INCOME	R 91,783,710	0.93%	R 92,679,945	27.9%
TOTAL INCOME	R 422,018,736		R 473,192,820	100%
EXPENDITURE	R 422,002,265		R 473,151,983	
SURPLUS	R 16,471		R 40,837	

APPROVED INDIGENT BENEFICIARIES PER TOWN

12/13

6000	5241
5000	
4000	
3000	
2000	
1000	
0	
782	1520
	615
	446
	825
	0
	0
	14
	12/13

ERMELO
WESSELTON
BREYTEM / KWAZANELE
DAVEL / KWADELA
KWACHIBUKULU/CMEER
LOTHAIR / SIUNDILE
SHEEPMOOR
FARMS
CASSIMPARK

PROPOSED TARIFFS INCREASE

FREE BASIC SERVICES. Provision were made to subsidise 11 200 indigents for the total amount of R 12 853 689.

To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (CPI) and to accommodate the increases as prescribed by NERSA on electricity.

When determining the tariffs, the following was taken into account:

- Cost of bulk purchases for water and electricity
 - Distribution costs
 - Depreciation expenses
 - Maintenance of infrastructure and other fixed assets
 - Tariff increases taken into account for the draft budget as from 1 July 2013 are proposed as follows:
 - Electricity tariffs based on 8%; from Eskom, to be approved by NERSA
 - Water tariffs with 10%;
 - Sewerage tariffs with 10%;
 - Refuse removal with 10%;
 - Assessment rates 5.6%
- SAFETY MEASURE(S) was provided for in the draft budget regarding to an "if" scenario

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Credit control & Debt Collection policy
- Pauper and Indigent Burials Policy
- Free Basic and Indigent Management Policy
- Property rates Policy
- Asset Management Policy
- Investment of surplus funds policy

REVIEWED FINANCIAL POLICIES (CONTINUED)

- Supply chain management policy
- Tariffs policy
- Petty cash policy
- Developed Policies
- Enterprise Risk Management Policy
- Fraud Prevention Plan
- Insurance Policy
- Anti- Corruption Strategy

SMALL CONSUMERS ACCOUNT

SERVICE	PRESIDENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (Maximum 6 Kiloliters) (First 6 Kiloliters for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic) Assessment Rates (Residential)(Value = R30,000)	R 59.86	R 64.65	R 4.79	8%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESIDENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kiloliters) (First 6 Kiloliters for FREE)	R 41.33	R 44.64	R 3.31	8%
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SEWERAGE (Residential Basic) Assessment Rates (Residential)(Value R 450,000)	R 59.86	R 64.65	R 4.79	8%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan.

Short, medium and long term strategies were developed to address the issues identified in the situational analysis

FINANCIAL RECOVERY PLAN STRATEGIES

- Strategy One: Restructure the Budget
- Strategy Two: Revise Tariff Policies and Tariff Increases
- Strategy Three: Revenue Enhancement
- Strategy Four: Financial Administration
- Strategy Five: Cash Management Strategy
- Strategy Six: Human Resource Management
- NB: elaborative information on plan is available for inspection at municipal offices and website

THANK YOU



EXECUTIVE MAYOR CLL.R. J.S. BONGWE

OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

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AGENDA FOR THE MEETING



- * **Opening**
- * **Welcome and Introduction**
- * **Purpose of the meeting**
- * **Presentation of draft budget**
- * **Comments from community**
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- * **Closure**



COMMUNITY BUDGET CONSULTATION 2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE

SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R569,558,953
REVENUE – EXPENDITURE:	R 40,837
SURPLUS OR R40,837.00	

SUMMARY OF BUDGET

LIABILITIES

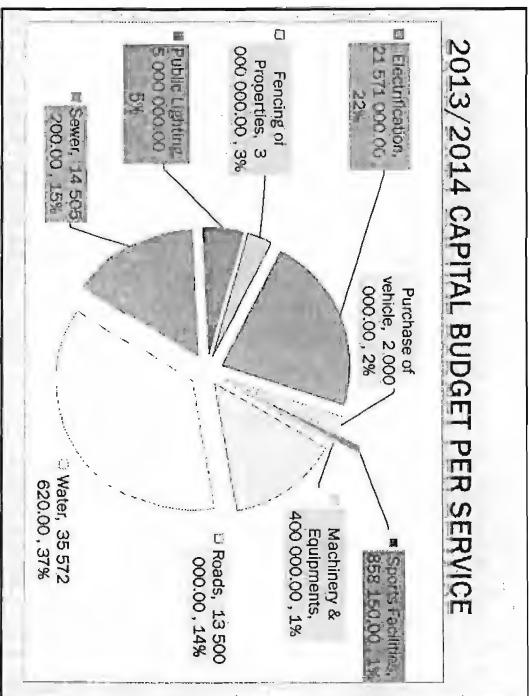
LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT
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SUMMARY OF BUDGET	
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2013/2014 CAPITAL BUDGET PER SOURCE OF FUNDING

FUNDING FOR CAPITAL	AMOUNT (R)	%
MUNICIPAL INFRASTRUCTURE GRANT (MIG) (AS PER DORA)	R 42,256,950	44.36%
GERT SIBANDE DISTRICT MUNICIPALITY (GSDM) NSUKALGWAS OWN FUNDS (Office and other Equipments)	R 14,029,020 R 400,000	14.73% 0.42%
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME: GRANT (INEPG) (AS PER DORA)	R 21,571,000	22.85%
REGIONAL BULK CAPITAL FROM EXTERNAL LOANS (Vehicles)	R 15,000,000 R 2,000,000	15.75 2.10%
TOTAL CAPITAL FOR 2013/2014	R 95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE



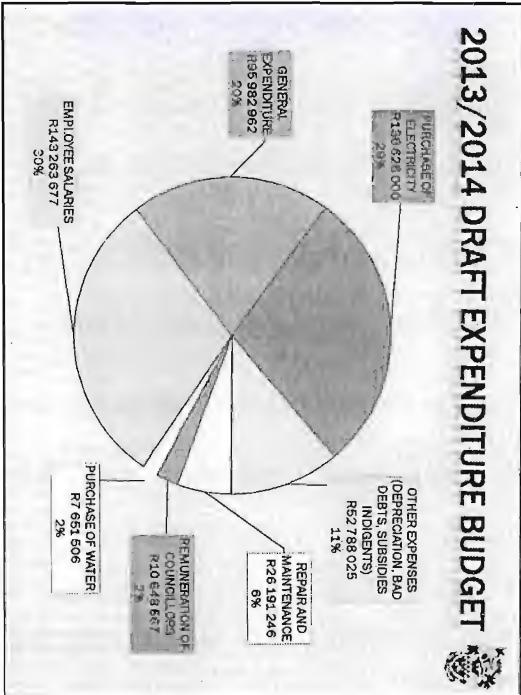
2013/2014 CAPITAL BUDGET PER SERVICE

EXPENDITURE	BUDGET 2012/2013	% INCREASE 2013/2014	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,648,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R 422,002,265		R 473,151,983	100%

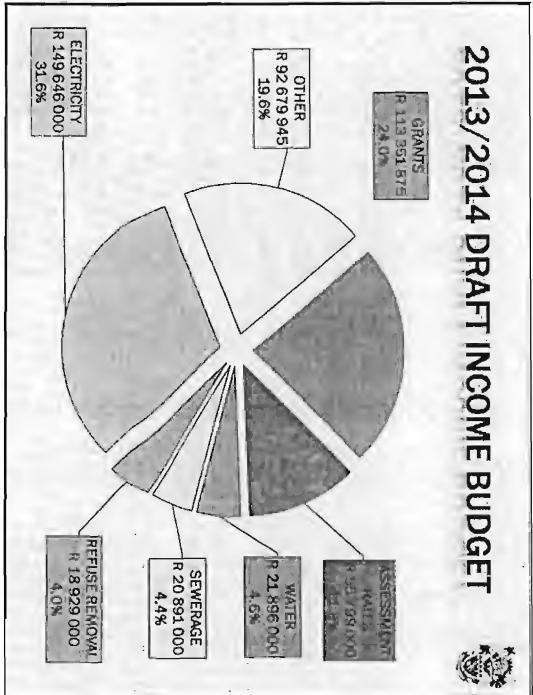
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TOTALS	R 422,002,265		R 473,151,983	100%

2013/2014 DRAFT EXPENDITURE BUDGET

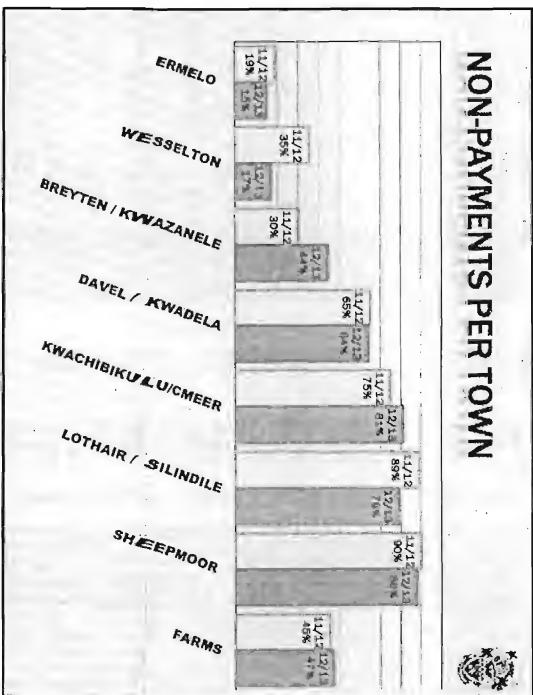


2013/2014 DRAFT INCOME BUDGET



NON-PAYMENTS PER TOWN

2013/2014 DRAFT INCOME BUDGET					
INCOME	BUDGET 2012/2013	% INCRE ASE	DRAFT BUDGET 2013/2014	% OF DRAFT TOTAL	
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%	
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%	
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%	
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%	
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%	
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OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%	
TOTAL INCOME	R 422,018,736		R 473,192,830		
TOTAL EXPENDITURE	R 422,002,285		R 473,151,983		
SURPLUS	R 16,471		R 40,837		



**APPROVED INDIGENT BENEFICIARIES
PER TOWN**

12/13

PROPOSED TARIFFS INCREASE



- FREE BASIC SERVICES: Provision were made to subsidise 11 200 indigents for the total amount of R 17 853 935.
 - To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES (ACI) and to accommodate the increases as prescribed by NEFSA on electricity.
 - When determining the tariffs, the following was taken into account:
 - Cost of bulk purchases for water and electricity
 - Distribution costs for water and electricity
 - Depreciation expenses
 - Maintenance of infrastructure and other fixed assets
 - TARIFF INCREASES taken into account for the draft budget as from 1 July 2012 are proposed as follows:
 - Electricity tariffs based on 8% from Eskom, to be approved by NEFSA
 - Water tariffs with 10%
 - Sewerage tariffs with 10%
 - Refuse removal with 10%
 - Assessment rates > 6%

SAY ANY INCREASE OF 6,3% WILL BE PROVIDED FOR IN THE DRAFT BUDGET ACCORDING TO THE BUDGETARY

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- Free Basic and Indigent Management Policy
 - Property rates Policy
 - Asset Management Policy
 - Investment of surplus funds policy

REVIEWED FINANCIAL POLICIES (CONTINUED)

- Supply chain management policy
 - Tariffs policy
 - Petty cash policy
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REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value R 30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.92%

The indigents will be subsidised on the amount of this account

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
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REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value R 450,000)	R 199.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN STRATEGIES

- Strategy One: Restructure the Budget
 - Strategy Two: Revise Tariff Policies and Tariff Increases
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- NB: elaborative information on plan is available for inspection at municipal offices and website

FINANCIAL RECOVERY PLAN

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- Short, medium and long term strategies were developed to address the issues identified in the situational analysis

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- * Comments from community
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 OVERDRAFT: R 6 000 000

SUMMARY OF BUDGET

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COMMUNITY BUDGET CONSULTATION

2013/2014

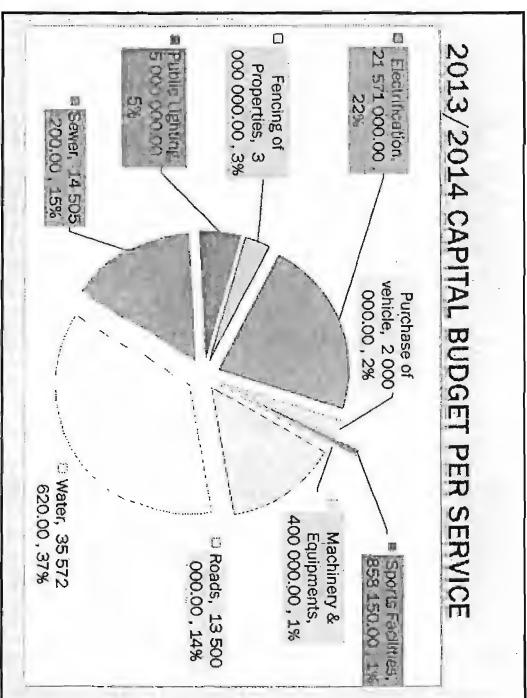
Project Name: COMMUNITY BUDGET CONSULTATION MEETING 1314
 Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE



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TOTAL CAPITAL FOR 2013/2014	R 95,256,970	100%

2013/2014 CAPITAL BUDGET PER SERVICE



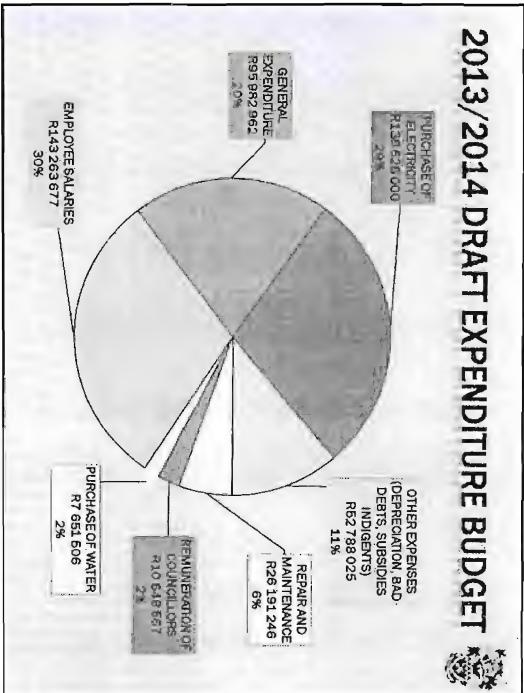
2013/2014 CAPITAL BUDGET PER SERVICE

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,643,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
PURCHASE OF ELECTRICITY	R 134,726,426		R 136,626,000	29.0%
PURCHASE OF WATER	R 1,900,000		R 7,651,506	2.0%
REPAIR & MAINTENANCE	R 20,001,519		R 26,191,246	6.0%
OTHER EXPENDITURE (Depreciation, Bad Debts, Subsidy, Indigents)	R 49,721,415		R 52,788,025	11.0%
TOTALS	R 422,002,285		R 473,151,983	100%

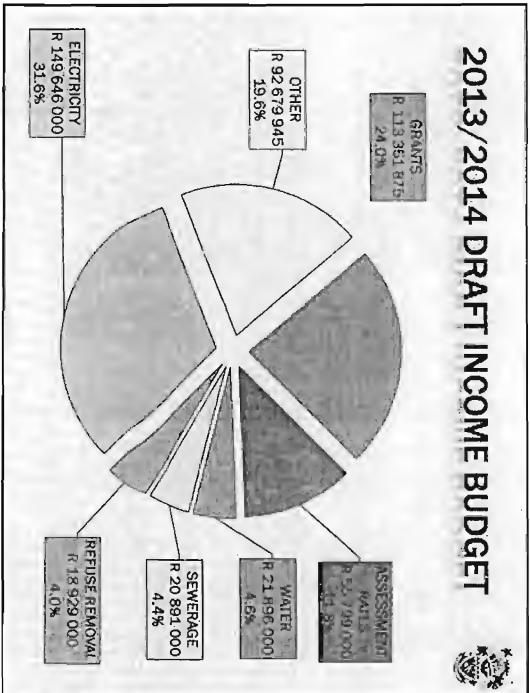
2013/2014 DRAFT EXPENDITURE BUDGET

EXPENDITURE	BUDGET 2012/2013	% INCREASE	DRAFT BUDGET 2013/2014	% OF TOTAL
EMPLOYEE COST	R 122,443,312		R 143,263,677	30.0%
COUNCILLORS COST	R 9,681,625		R 10,643,567	2.0%
GENERAL EXPENDITURE	R 83,527,968		R 95,952,962	20.0%
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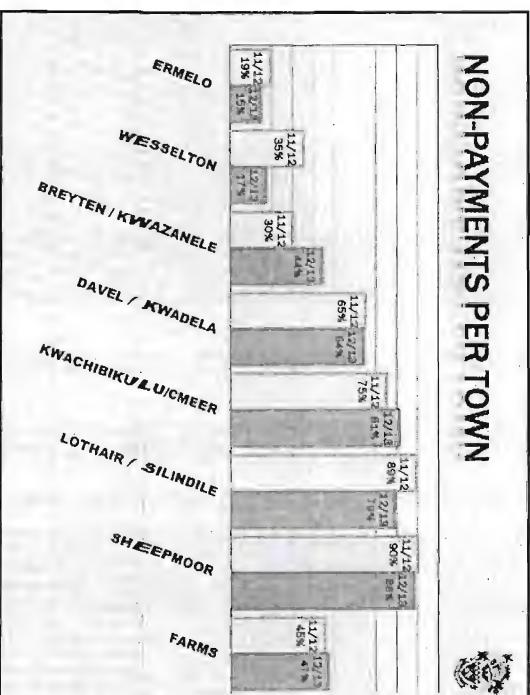
2013/2014 DRAFT EXPENDITURE BUDGET



2013/2014 DRAFT INCOME BUDGET



NON-PAYMENTS PER TOWN



2013/2014 DRAFT INCOME BUDGET					
INCOME	BUDGET 2012/2013	% INCRE ASE	DRAFT BUDGET 2013/2014	% OF BUDGET	TOTAL
ASSESSMENT RATES	R 51,379,000	8.6%	R 55,799,000	11.8%	
REFUSE REMOVAL	R 16,163,000	17.11%	R 18,929,000	4.0%	
ELECTRICITY	R 117,676,000	27.17%	R 149,646,000	31.6%	
WATER	R 18,229,000	20.12%	R 21,896,000	4.6%	
SEWERAGE	R 17,367,000	20.29%	R 20,891,000	4.4%	
GRANTS & SUBSIDIES	R 109,421,026	3.59%	R 113,351,875	24.0%	
OTHER INCOME	R 91,783,710	0.98%	R 92,679,945	27.9%	
TOTAL INCOME	R 422,018,736		R 473,151,983		100%
TOTAL EXPENDITURE	R 422,002,265				
SURPLUS	R 16,471				R 40,837

APPROVED INDIGENT BENEFICIARIES
PER TOWN

12/13

ERMELLO	5000
WESSELTON	5000
BREYENT / KWAZANELE	5000
DAVEL / KWADELA	5000
KWACHIBIKULLUCMEER	5000
LOTHAIR / SILINDILE	5000
SHEEPMOOR	5000
FARMS	5000
CASSIMPARK	5000
0	5241
1520	5241
615	5241
446	5241
825	5241
0	5241
0	5241
14	5241
12/13	5241

REVIEWED FINANCIAL POLICIES

The following policies were reviewed and will be implemented from July 2013:

- | |
|------------------------------------|
| Free Basic and Indigent Management |
| Property rates Policy |
| Asset Management Policy |
| Investment of surplus funds policy |

REVIEWED FINANCIAL POLICIES (CONTINUED)

Supply chain management policy

- Developed Policies
 - Enterprise Risk Management Policy
 - Fraud Prevention Plan
 - Insurance Policy
 - Anti- Corruption Strategy

PROPOSED TARIFFS INCREASE



- FREE BASIC SERVICES: Provision were made to subsidise total amount of R 17 813 696.
- To keep the service delivery at the same level council need to increase tariffs in line with the AVERAGE COST INCREASES, (CPI) and to accommodate the increases as described by NERSA on electricity.
- When determining the tariffs, the following was taken into account:
 - Cost of purchases for water and electricity
 - Distribution costs
 - Distribution losses for water and electricity
 - Depreciation expenses
 - Maintenance of infrastructure and other fixed assets
- Tariff INCREASES taken into account for the draft budget as from 1 July 2013 are proposed as follows:
 - Electricity tariffs based on 85% from Eskom, to be approved by NERSA
 - Water tariffs with 10%
 - Sewerage tariffs with 10%
 - Refuse removal with 10%
 - Assessment rates 5,6%
- SAN ARV INCREASES of 6,3% was provided for in the draft budget according to an agreement

SMALL CONSUMERS ACCOUNT

SERVICE	PRESIDENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (Maximum 20 Amps) (Pre-paid 50 Units)	R 37.93	R 42.10	R 4.17	11.0%
WATER (MAXIMUM 8 Kilolitres) (First 6 Kilolitres for FREE) only for indigents	R 0.00	R 0.00	R 0.00	0%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value = R30,000)	R 10.04	R 10.60	R 0.56	5.6%
TOTAL ACCOUNT	R 166.13	R 180.31	R 14.18	5.82%

The indigents will be subsidised on the amount of this account.

FINANCIAL RECOVERY PLAN

Municipality has financial challenges due to high level of non payment and illegal connections and this resulted in the development of a Financial Recovery Plan.

Short, medium and long term strategies were developed to address the issues identified in the situational analysis

MEDIUM CONSUMERS ACCOUNT

SERVICE	PRESIDENT ACCOUNT (R)	NEW ACCOUNT (R)	INCREASE AMOUNT (R)	INCREASE %
ELECTRICITY (More than 20 Amps) (Pre-paid 600 Units)	R 703.19	R 780.54	R 77.35	11.0%
WATER (Maximum 12 Kilolitres) (First 6 Kilolitres for FREE)	R 41.33	R 44.64	R 3.31	8%
REFUSE (Residential Basic)	R 58.30	R 62.96	R 4.66	8%
SEWERAGE (Residential Basic)	R 59.86	R 64.65	R 4.79	8%
Assessment Rates (Residential)(Value R 450,000)	R 199.66	R 210.84	R 11.18	5.6%
TOTAL ACCOUNT	R 1062.34	R 1163.63	R 101.29	16.09%

FINANCIAL RECOVERY PLAN STRATEGIES

- » Strategy One: Restructure the Budget
- » Strategy Two: Revise Tariff Policies and Tariff Increases
- » Strategy Three: Revenue Enhancement
- » Strategy Four: Financial Administration
- » Strategy Five: Cash Management Strategy
- » Strategy Six: Human Resource Management
- » NB: elaborative information on plan is available for inspection at municipal offices and website

THANK YOU

EXECUTIVE MAYOR CLLR. J.S. BONGWE

OTHER COUNCILLORS AND OFFICIALS

THANK YOU FOR YOUR PARTICIPATION

Contact no. for Msukaligwa LM
017 801 3400
017 801 3500
WWW.MSUKALIGWA.GOV.ZA

AGENDA FOR THE MEETING



- * Opening
- * Welcome and Introduction
- * Purpose of the meeting
- * Presentation of draft budget
- * Comments from community
- * The way forward
- * Closure



MZANSI LANGA MUNICIPALITY

COMMUNITY BUDGET CONSULTATION

2013/2014

Project Name: COMMUNITY BUDGET CONSULTATION MEETING 13/14

Presenter Name: EXECUTIVE MAYOR CLLR. JS. BONGWE

SUMMARY OF BUDGET

TOTAL OPERATING REVENUE:	R 473,192,820
TOTAL CAPITAL REVENUE:	R 96,406,970
TOTAL REVENUE:	R569,599,790
TOTAL OPERATING EXPENDITURE:	R 473,151,983
TOTAL CAPITAL EXPENDITURE:	R 96,406,970
TOTAL EXPENDITURE:	R 569,558,953
REVENUE – EXPENDITURE:	R 40,837
SURPLUS OF R40,837.00	

SUMMARY OF BUDGET

LIABILITIES

LOAN: R 5 000 000 - FOR REVENUE ENHANCEMENT
 LOAN: R 2 000 000 - VEHICLE PURCHASES

OVERDRAFT: R6 000 000